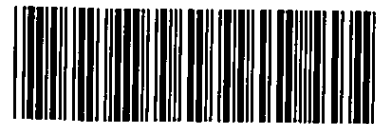


Company number: 07550425

**The Corsham School**  
**(A company limited by guarantee)**  
**Governors' report and financial statements**  
**for the period ended 31 August 2012**

**Clifford Fry & Co. LLP**  
**St Mary's House**  
**Netherhampton**  
**Salisbury**  
**Wiltshire**  
**SP2 8PU**

TUESDAY



A23      \*A1MKALZN\*      #251  
27/11/2012  
COMPANIES HOUSE

**The Corsham School**  
**(A company limited by guarantee)**

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**The Corsham School**  
**(A company limited by guarantee)**

**Legal and administrative information**

**Company registration number**    07550425

**Business address**                    The Tynings  
Corsham  
Wiltshire  
SN13 9DF

**Registered office**                    The Tynings  
Corsham  
Wiltshire  
SN13 9DF

**Company Secretary**                Graham Chivers

<b>Trustees and Governors</b>	Nick Davis	(appointed 3 March 2011)
	Jennie Hartless	(appointed 3 March 2011)
	Chris Lynch	(appointed 3 March 2011)

<b>Governors</b>	Rebecca Armsby	(appointed 3 March 2011)
	Russell Cole	(appointed 3 March 2011)
	Karen Duffield	(appointed 11 November 2011)
	Robert House	(appointed 1 April 2011)
	Mike Large	(appointed 17 May 2011)
	Nick Loake	(appointed 2 November 2011)
	Sarah Maggs	(Vice Chair)
		(appointed 17 May 2011)
	Hilary Nugara	(appointed 17 May 2011)
	Charlie Parsons	(appointed 3 March 2011)
	Peter Robson	(Responsible Officer)
		(appointed 1 October 2011)
	Bill Ryan	(appointed 1 April 2011, resigned October 2012)
	Rachel Sellens	(appointed 30 April 2011)
	Niall Smiddy	(Chair)
	(appointed 1 April 2011)	
Paul Stone	(appointed 1 April 2011)	
Anne Turrell	(appointed 11 November 2011)	
Suzanne Thompson	(appointed 1 April 2011, resigned July 2012)	

**Clerk to the Governors**            Graham Chivers

**The Corsham School**  
**(A company limited by guarantee)**

**Legal and administrative information**

**Head Teacher  
and Accounting Officer**

Martin Williams

**Leadership Group  
Deputy Headteachers**

Marcus Chapman  
Michael Holgate  
Irene Large  
Robert Staten

**Auditors**

Clifford Fry & Co LLP  
St Mary's House  
Netherhampton  
Salisbury  
Wiltshire  
SP2 8PU

**Bankers**

HSBC Bank plc  
2 Market Place  
Chippenham  
Wiltshire  
SN15 3HE

**The Corsham School**  
**(A company limited by guarantee)**

**Report of the Governors**  
**for the period ended 31 August 2012**

The Governors present their annual report together with the financial statements and auditors' report of the Charitable Company for the period ended 31 August 2012

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The Corsham School is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Academy Trust incorporated on 3rd March 2011.

The Governors act as the Trustees for the charitable activities of The Corsham School and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as The Corsham School.

Details of the Governors who served throughout the period, except as noted, are included in the Legal and Administrative Information on pages 1 - 2.

**Members' Liability**

Each member of the Charitable Company undertakes to contribute to the assets of the Company in the event of it being wound up while 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 Academy Trust shall be indemnified out of the assets of the Academy Trust against any liability incurred by him in that capacity in relation to the affairs of the Academy Trust. The Corsham School holds insurance in this regard to the value of £5,000,000.

**Principal Activities**

The principal object and activity of the charitable company is the operation of The Corsham School to provide education for pupils of different abilities between the ages of 11 and 19 with specialisms in Art, Mathematics, Science and ICT.

**The Corsham School**  
**(A company limited by guarantee)**

**Report of the Governors**  
**for the period ended 31 August 2012**

**Method of Recruitment and Appointment or Election of Governors**

The Articles of Association require the members of the charitable company to appoint Governors, with no maximum number, including

- The Headteacher
- No more than three other staff Governors All staff are invited to stand for election as a staff Governor Where there are more candidates than vacancies, all staff are invited to vote for their preferred candidate(s)
- No more than six parent Governors All parents are invited to stand for election as a parent Governor where there are more candidates than vacancies, all parents are invited to vote for their preferred Candidate
- Up to one Governor appointed by the LA
- Up to three Governors co-opted by the existing Governors

With the exception of the Headteacher, the term of office for Governors is four years The Governors who were in office at 31 August 2012 and served throughout the period (unless otherwise indicated) are listed in the Legal and Administrative information on pages 1 - 2

**Policies and Procedures Adopted for the Induction and Training of Governors**

The training and induction provided for new Governors depends on their existing experience Where necessary induction will provide training on charity and educational legal and financial matters All Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their roles as Governors

**Organisational Structure**

In accordance with the Academy's Scheme of Delegation, the Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of budgets and other metrics, and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments

The Leadership Group consists of the Academy's Senior Managers, namely the Headteacher, Deputy Headteacher, three Assistant Headteachers and the Business Manager These managers control the Academy at an executive level implementing the policies established by the Governors and reporting back to them The Headteacher is responsible for the authorisation of spending within agreed budgets and the appointment of staff, though another Governor sits on appointment boards for Leadership Group members, Curriculum Leaders, and wherever possible teaching staff and support staff Some spending control is devolved to members of the Leadership Group, Curriculum Leaders and other Managers

In addition to the Leadership Group, there are six Learning Managers, fifteen Curriculum Leaders and seven support staff managers These managers are responsible for the day to day operation of the Academy, in particular organising the staff, facilities and students

The Headteacher is the Accounting Officer

**The Corsham School**  
**(A company limited by guarantee)**

**Report of the Governors**  
**for the period ended 31 August 2012**

**Risk Management**

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to child protection, health and safety, the quality of teaching, the provision of facilities and other operational areas of the Academy, and its finances. All such risks are included in the Academy's risk register. The Governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to health and safety and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls in order to minimise risk. Where significant risk still remains, they have ensured they have adequate insurance cover.

**Connected Organisations, including Related Party Relationships**

The Corsham School is a member of North Wiltshire Federation which is a soft federation of secondary and special schools, largely but not exclusively located in the northern part of Wiltshire. This soft federation exists to facilitate collaboration between the schools but does not operate at governance level and there is no impact on operating policies.

The Corsham School also has links with other local networks and organisations.

**The Corsham School**  
**(A company limited by guarantee)**

**Report of the Governors**  
**for the period ended 31 August 2012**

**OBJECTIVES AND ACTIVITIES**

**Objects and Aims**

The Academy Trust's object is specifically to advance for the public benefit education in the United Kingdom by maintaining, managing and developing a non-selective secondary school offering a broad and balanced curriculum

**The Corsham School's Vision**

The main objectives of the Academy during the period ended 31 August 2012 are summarised below

- To promote the highest standards of teaching and learning - and see them reflected in academic achievement
- To use the evaluation and sharing of good practice to impact on teaching and learning
- To commit to the whole curriculum
- To invest in, use and apply Information and Communication Technology
- To provide a safe and calm environment in which all young people can learn and grow, developing values which strengthen a positive community
- To encourage our students to be considerate, courteous and to show pride in their school
- To stimulate the involvement and commitment of all parents and carers
- To commit to the support and Continuing Professional Development of every member of staff

**The Corsham School's Arts College Mission Statement**

And as a specialist Visual Arts College the objectives during the period ended 31st August 2012 were

- To raise standards in visual arts subjects through a stimulating and flexible curriculum that offers learners of all abilities high quality opportunities to be creative and more successful than they thought possible
- To raise standards for all learners by providing high quality creative learning experiences in all subjects using the best of new technologies
- To build on the talents of all our young people by giving them the self-esteem, skills, creativity and flexibility they need for the modern workplace
- To use the challenging and thought-provoking nature of visual art to increase our students' interest and participation in a range of arts experience in and beyond school, in industry and in our community
- To become a centre of excellence for arts learning, sharing our quality practices and facilities with our partner schools, with local industry, with our learning families and with our community
- To provide high-quality facilities within a clean and well-managed environment



**The Corsham School**  
**(A company limited by guarantee)**

**Report of the Governors**  
**for the period ended 31 August 2012**

**Objectives, Strategies and Activities**

The Corsham School is innovative in developing a curriculum that develops independence, explores learning through making, and the intellectual process of creativity. Its provision of a cross curricular Making Room is believed to be unique. Aspects of social and moral development are re-enhanced through the key themes of Teamship, Citizenship and Audienceship. The school's motto is, 'I can inspire'.

The school gained its first specialism in the visual arts in 2003 and second specialisms in Maths and ICT in 2008. In 2010 it met the criteria for a third specialism in teaching and learning and AGT but a change of government saw the withdrawal of funding. In 2006 the school received a national award from The Specialist Schools & Academies Trust for the achievement of excellence through creativity and enterprise and an industry standard award of excellence for the school website in 2010.

The school was graded outstanding at its last inspection in 2009 and converted to Academy status in April 2011. In 2012 the school was invited to join the Leading Edge Partnership. Leading Edge is a network for high performance schools, designed to support outstanding schools in sharing outstanding and innovative practice.

In 2012 the school was approached to by the DfE to become a Sponsor Academy and is currently converting to a Multi Academy Trust to include one of our partner primary schools.

**Public Benefit**

The Academy Trust has referred to the Charity Commission's general guidance on public benefit when reviewing its aims and objectives. All of the Trust's charitable activities are undertaken to further its charitable purposes for the public benefit, ie The education of secondary age children resident in the town of Corsham and the surrounding villages and area.

**The Corsham School**  
**(A company limited by guarantee)**

**Report of the Governors**  
**for the period ended 31 August 2012**

**ACHIEVEMENTS AND PERFORMANCE**

At KS3 in 2012, 23% of students achieved level 7 or above in English, clearly exceeding Fischer Family Trust top 25% expectation with around 60% of students scoring 6 and above in line with target Maths also exceeded target with 73% at or above level 6 and 46% at or above level 7 Science nearly reached its target for level 7 at 26% and 62% at 6 and above against a challenging target of 66% 19% of students scored a combined level 7 in English and Maths against a Fischer Family Trust top expectation of 18% This continues recent trends where performance is in line with top Fischer Family Trust expectation

At KS4 performance is generally very strong For the first time in the school's history 80% of students scored "5 or more" higher GCSE passes The capped (best 8) point score average for each student reached 342, again a school record (previous record 332 last year) The total point score per student rose to 422, another Corsham School all-time high

Other GCSE records were also broken 27% of students gained 3 or more grade A or A\*s and the proportion of entries reaching A or A\* grades rose to 24% 100% of students gained qualifications and 98% achieved 5 GCSE passes This is testament to the school's foundation learning programme where youngsters access a range of off-site vocational courses to ensure successful and appropriate progression into further study or employment

It is regrettable that the school could not meet its target for 5 or more A\*C passes including English and Maths due to the nationally reported grade boundary changes in the English GCSE in the summer of 2012

The school is adding its support to the legal action undertaken by ASCL and others to challenge the unfair and arbitrary grade changes affecting CD borderline students nationally and who make up about 36% of our y11 population

A and AS level continue to be strong At A level, our previous 3 years' performance up to and including 2012 places us in the top 10% of A level providers nationally by ALPS value added measures At AS level the same 3 year period sees us in the top 12% for this measure

At A level, we scored a 98% pass rate with 26% of entries at grade A/A\* and 53% at grade A\*-B with an average total points haul of 810 at the end of 6th form study

At AS level the pass rate was 88% with 24% grade A and 41% at grade B and above These figures exceed the national average

**Going Concern**

After making appropriate enquiries, the Governing Body has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future 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

**The Corsham School**  
**(A company limited by guarantee)**

**Report of the Governors**  
**for the period ended 31 August 2012**

**Key Financial Performance Indicators**

The Academy is in its first period of operation and continues to achieve the forecast numbers of students. Total students in the period ended 31st August 2012 numbered 1369 and the Published Admissions Number for the Academy for years 7-11 is 230.

The School was graded Outstanding by Ofsted in 2009.

FFT and National Foundation for Educational Research Cognitive Ability Test both support rigorous target setting and monitoring processes at KS3 & 4. This is supplemented by Advanced Level Performance System at KS5. The 'Achievement' section above refers to these target setting systems.

- Attendance levels are regularly at 94% and improving as are our targeted persistent absence rates, falling below the median for similar schools.
- Retention from year 11 going into the Sixth Form over the past three years has been 65%.

The School places importance on staff retention and development in order to maintain the highest standards of teaching and learning.

In terms of the school site, student toilets were refurbished in H block and storage created for the school record archive.

Recent "green" improvements such as the huge solar panel array have been supplemented with huge external investment in windows to T, S and H block from the Academies Capital Maintenance Fund.

S Block Water tank and asbestos removal now ensure a safe and maintenance friendly water supply to S block.

Office accommodation has also been increased recently in L block and we have totally refitted 2 IT rooms -S31 and H22 (Business).

Corridor pressure in S block has been relieved by the addition of new external doors to S10 and S12. The library has been totally refitted and improved.

Rooms such as DS1 and H4A have benefitted from the continuing programme of classroom renovation.

Investment has been made in the ICT infrastructure of the Academy in order to provide the best learning and working environment.

**The Corsham School**  
**(A company limited by guarantee)**

**Report of the Governors**  
**for the period ended 31 August 2012**

**Financial Review**

Most of the Academy's income is obtained from the DfE via the YPLA/EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2012 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

The Trust's financial position demonstrates total income of £32,802,104 with a surplus at the 31 August of £21,527,122. The surplus has been allocated to reserves.

The restricted fixed asset reserve of £21,524,241 is made up of the net book value of tangible fixed assets. The unrestricted and restricted reserves after adjustment for the LGPS pension obligation and the school fund surplus total £650,117 and will be utilised for continuous improvements and for projects for the repair and replacement of educational equipment and materials. Reserves will also be allocated to the repair, replacement and updating of the School building, its plant equipment and contents.

A strategic capital plan is prepared and reviewed each year by the Governors in order that reserves can be prioritised and spent according to the needs of the School.

The principal financial management policies adopted in the year are

- Conducting regular financial reviews of income and expenditure versus planned budgets at the Governors' Finance and Buildings Committee meetings,
- Consideration as to whether the financial income demonstrates a robust and stable position enabling the provision of sufficient quality resources to fulfil the School's educational obligations,

**The Corsham School**  
**(A company limited by guarantee)**

**Report of the Governors**  
**for the period ended 31 August 2012**

**Financial and Risk Management Objectives and Policies**

The Academy has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Governors and include the financial risks to the Academy. The register and plan are constantly reviewed in light of any new information and formally reviewed annually.

Risks to revenue funding from decreasing pupil numbers is small. However, the reduction in 6th Form Funding levels, the freeze on the Government's overall education budget, changes in funding arrangements for special educational needs and increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

The Governors examine the financial health formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Governors' and Finance Committee meetings. The Governors also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the period end, the Academy had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The Governing Body recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in note 30 to the financial statements, represents a significant potential liability. However, as the Governors consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

**The Corsham School**  
**(A company limited by guarantee)**

**Report of the Governors**  
**for the period ended 31 August 2012**

**Principal Risks and Uncertainties**

The principal risks and uncertainties facing the Academy are as follows

Financial - the Academy has considerable reliance on continued Government funding through the EFA. In the last period 97% of the Academy's incoming resources were ultimately Government funded (excluding assets transferred on conversion) and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Governors continue to review and ensure that appropriate measures are in place to mitigate these risks

Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Governors ensure that student success and achievement are closely monitored and reviewed

Safeguarding and child protection - the Governors continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline

Staffing - the success of the Academy is reliant on the quality of its staff and so the Governors monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning

Fraud and mismanagement of funds - The Academy has appointed a Responsible Officer to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area

The Academy has continued to strengthen its risk management process throughout the period by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis

**Reserves Policy**

The Governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review

The level of reserves held at 31 August total £21,527,122. Of this figure, £650,117, being unrestricted reserves and restricted reserves, excluding the pension obligation and surplus on the school fund, will be allocated and spent as part of School Improvement Plan to update, improve and maintain its facilities and resources. A capital spending plan has been completed detailing the short, medium and long term needs and plans of the School for which reserves will be allocated and determined in order of priority to meet the needs of the School

**The Corsham School**  
**(A company limited by guarantee)**

**Report of the Governors**  
**for the period ended 31 August 2012**

**Investment Policy**

An Investment Policy is to be proposed for adoption by the Governing Body in January 2013

The aim of the policy will be to ensure funds that the School does not immediately need to cover anticipated expenditure are invested in such a way as to maximise the School's income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The School does not consider the investment of surplus funds as a primary activity, rather as a result of good stewardship and as and when circumstances allow.

The School will after constructing and reporting forecasts versus budgets consider whether it is prudent to deposit funds into an account where improved terms are offered. As improved terms are generally only offered where funds are invested for a fixed term, it may be prudent for the School not to invest funds in this manner.

**PLANS FOR FUTURE PERIODS**

The Academy will continue striving to improve the levels of performance of its students at all levels and will continue its efforts to ensure its students get jobs or a place in higher education once they leave.

The school has an outstanding understanding of its strengths and areas for development based on rigorous analysis of data and monitoring of teaching and learning. The school also makes good use of external validation to secure its judgement on the quality of provision and subsequent outcomes. The School Improvement Plan has all the correct areas identified for improvement and is based on regular analysis of data which is meticulously analysed by the Headteacher and the senior leadership group. The SIP is regularly monitored and amended annually by the Leadership Group and governors. It is underpinned by appropriate budget links.

School improvement strategies are highly effective because subjects identified as previously underperforming have been successfully addressed through a combination of rigorous monitoring, outstanding CPD, including coaching and thorough analysis of examination results. The school makes good provision for personalised learning, support and intervention programmes for individual students and the quality of provision for inclusion is outstanding due to bespoke programmes aimed at raising achievement.

The strive for excellence is evident in many aspects of school life, but particularly in the strong culture of collaboration, openness and commitment to professional learning. Staff CPD is outstanding in the way that all staff work relentlessly at sharing best practice with schools and fulfil the school's moral imperative at improving the quality of learning both at a local, national and international level.

Due to our success in working with other schools, we have been asked to sponsor Corsham Regis Primary school and to support the Head and the Senior Leadership Team through their conversion to an Academy.

**The Corsham School**  
**(A company limited by guarantee)**

**Report of the Governors**  
**for the period ended 31 August 2012**

**Statement as to disclosure of information to auditors**

In so far as the governors are aware

- there is no relevant audit information of which the company's auditors are 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 auditors are aware of that information
- the re-appointment for the Auditors will take place at an EGM

Approved by order of the members of the Governing Body on 13 November 2012 and signed on its behalf



**Niall Smiddy**  
**Chair**



# The Corsham School

## (A company limited by guarantee)

### Governance Statement

#### Scope of Responsibility

As governors, we acknowledge that we have overall responsibility for ensuring that The Corsham 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 funding agreement between The Corsham School and the Secretary of State for Education. He is also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

#### 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 7 times during the period. Attendance during the period at meetings of the governing body was as follows:

Governor		Meetings attended	Out of a possible
Rebecca Armsby	(appointed 3 March 2011)	4	7
Russell Cole	(appointed 3 March 2011)	3	7
Nick Davis	(appointed 3 March 2011)	4	7
Karen Duffield	(appointed 11 November 2011)	5	5
Jennie Hartless	(appointed 3 March 2011)	6	7
Robert House	(appointed 1 April 2011)	6	7
Mike Large	(appointed 17 May 2011)	6	7
Nick Loake	(appointed 2 November 2011)	5	7
Chris Lynch	(appointed 3 March 2011)	5	7
Sarah Maggs	(appointed 17 May 2011)	7	7
Hilary Nugara	(appointed 17 May 2011)	7	7
Charlie Parsons	(appointed 3 March 2011)	6	7
Peter Robson	(appointed 1 October 2011)	5	7
Bill Ryan	(appointed April 2011, resigned October 2012)	3	7
Rachel Sellens	(appointed 30 April 2011)	5	7
Niall Smiddy	(appointed 1 April 2011)	5	7
Paul Stone	(appointed 1 April 2011)	7	7
Anne Turrell	(appointed 11 November 2011)	5	5
Martin Williams	(appointed 3 March 2011)	7	7
Suzanne Thompson	(appointed April 2011, resigned July 2012)	3	7

Our Deputy Chair resigned at the end of the school year as she no longer had any children at school. Sarah Maggs agreed to stand as a new Vice Chair at the beginning of the 2012-2013 school year.

The Governing Body operated well during the period, without any notable challenges.

# The Corsham School

## (A company limited by guarantee)

### Governance Statement

The Personnel, Finance and Premises Committee is a sub-committee of the main governing body. Its purpose is to ensure that the Academy's finances are properly managed in pursuing the object of the Academy.

During the period the Personnel and Finance & Premises sub-committees were combined. Attendance at meetings in the period was as follows:

Governor		Meetings attended	Out of a possible
Jennie Hartless	(appointed 3 March 2011)	4	4
Chris Lynch	(appointed 3 March 2011)	2	2
Peter Robson	(appointed 1 October 2011)	4	4
(Non voting member)			
Bill Ryan	(appointed April 2011, resigned October 2012)	2	4
Suzanne Thompson	(appointed April 2011, resigned July 2012)	2	4
Robert House	(appointed 1 April 2011)	4	4
Rachel Sellens	(appointed 30 April 2011)	3	4

#### The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Corsham School for the period ended 31 August 2012 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 Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate these risks. The Governing Body is of the view that there is a recognised, on-going process for identifying and managing the Academy Trust's significant risks that have been in place for the period ended 31 August 2012 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body and will become a Standing item on the agendas of all committees.

**The Corsham School**  
**(A company limited by guarantee)**

**Governance Statement**

**The Risk and Control Framework**

The school's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability which are clearly set out in the school's Finance Manual. In particular, it includes

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

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed Peter Robson as its Responsible Officer and it is their role to perform a range of checks on the school's financial systems. On a termly basis, the Responsible Officer will submit a report to the Personnel, Finance and Premises Committee and to the Full Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

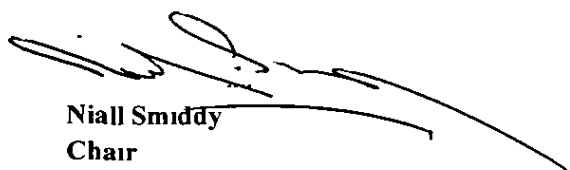
**Review of Effectiveness**


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

- the work of the Responsible Officer
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the Leadership Group and Business Manager within the Academy Trust who have responsibility for the development and maintenance of the internal control framework

The Accounting Officer has been advised of the implications of the result of the review of the system of internal control by the Personnel, Finance and Premises Committee and a plan to address any weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 13 November 2012 and signed on its behalf by

  
**Niall Smiddy**  
**Chair**

  
**Martin Williams**  
**Accounting Officer**

**The Corsham School**  
**(A company limited by guarantee)**

**Statement on Regularity, Propriety and Compliance**

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

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

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



**Martin Williams**  
**Accounting Officer**

**The Corsham School**  
**(A company limited by guarantee)**

**Statement of Governors' Responsibilities**

The Governors (three of whom act as trustees for the charitable activities of The Corsham School) are directors of the Charitable Company for the purposes of company law and are responsible for preparing the Governors' Report and the financial statements in accordance with the Annual Accounts Requirements issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations

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

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

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

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

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

Approved by order of the members of the Governing Body on 13 November 2012 and signed on its behalf by



**Niall Smiddy**  
**Chair of Governors**

**The Corsham School**  
**(A company limited by guarantee)**

**Independent Auditor's Report on the Financial Statements to  
the Governing Body of The Corsham School.**

We have audited the financial statements of The Corsham School for the period ended 31 August 2012 which comprise the statement of financial activities, the balance sheet, the cash flow statement and the related notes. These financial statements have been prepared under the accounting policies set out therein. The financial statements have been prepared under the United Kingdom Generally Accepted Accounting Practice and the Annual Accounts Direction 2011/12 issued by the EFA.

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

**Respective responsibilities of the governors and auditors**

The governors' (who are also directors for the purposes of company law) responsibilities for preparing the governors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of governors' responsibilities.

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

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 2006, and whether the information given in the governors' report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding governors' remuneration and other transactions is not disclosed.

We read other information contained in the governors' report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

**Basis of audit opinion**

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

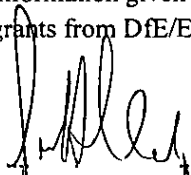
We planned our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**The Corsham School**  
**(A company limited by guarantee)**

**Opinion**

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, and the Annual Accounts Direction 2011/12 issued by the EFA of the state of the Academy Trust's affairs as at 31 August 2012 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended and have been properly prepared in accordance with the Companies Act 2006, and
- the information given in the governors' report is consistent with the financial statements
- the grants from DfE/EFA were used for the purposes intended



**S M Allenby FCA (Senior Statutory Auditor)**  
**For and on behalf of Clifford Fry & Co. LLP**  
**Chartered Accountants and**  
**Registered Auditors**

**St Mary's House**  
**Netherhampton**  
**Salisbury**  
**Wiltshire SP2 8PU**

*23<sup>rd</sup> November 2012*

**The Corsham School**  
**(A company limited by guarantee)**

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

In accordance with the terms of our engagement letter dated 23 October 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2011/12, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Corsham School during the period to 31 August 2012 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them

This report is made solely to The Corsham School and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the The Corsham School and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the The Corsham School and the EFA, for our work, for this report, or for the conclusion we have formed

**Respective responsibilities of the governors' accounting officer and the reporting accountant.**

The accounting officer is responsible, under the requirements of The Corsham School's funding agreement with the Secretary of State for Education dated 28 March 2011 and the Academies Financial Handbook as published by DfES in 2006, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2011/12. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period to 31 August 2012 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2011/12 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter

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

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

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

We undertook work based upon the Regularity Reporting for Academies 2011/12 Guidance as issued by the ICAEW



**The Corsham School**  
**(A company limited by guarantee)**

**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 to 31 August 2012 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them



**S M Allenby FCA (Senior Statutory Auditor)**  
**For and on behalf of Clifford Fry & Co. LLP**  
**Chartered Accountants and**  
**Registered Auditors**

**St Mary's House**  
**Netherhampton**  
**Salisbury**  
**Wiltshire**  
**SP2 8PU**

*23<sup>rd</sup> November 2012*

**The Corsham School**  
**(A company limited by guarantee)**

**Statement of financial activities**  
**(incorporating the income and expenditure account)**

**For the period ended 31 August 2012**

		Unrestricted	Restricted	Restricted	Period
	Notes	funds	funds	Fixed asset	ended
		£	£	funds	31/08/12
				£	Total
					£
<b>Incoming resources</b>					
Incoming resources from generating funds					
Voluntary income	4	140,047	-	-	140,047
Assets transferred from Local Authority on conversion	4	86,690	258,689	22,165,000	22,510,379
Activities for generating funds	5	67,465	-	-	67,465
Investment income		1,007	-	-	1,007
Incoming resources from academy activities	6	-	9,925,707	85,992	10,011,699
Other incoming resources	7	64,041	7,466	-	71,507
<b>Total incoming resources</b>		<u>359,250</u>	<u>10,191,862</u>	<u>22,250,992</u>	<u>32,802,104</u>
<b>Resources expended</b>					
Costs of generating funds					
Cost of generating income	8	201,280	-	-	201,280
Pension deficit from predecessor school	8	-	368,000	-	368,000
Academy educational activities	9	67,799	9,656,362	640,759	10,364,920
Governance costs	11	13,453	20,329	-	33,782
<b>Total resources expended</b>		<u>282,532</u>	<u>10,044,691</u>	<u>640,759</u>	<u>10,967,982</u>
<b>Net incoming resources before transfers</b>		<u>76,718</u>	<u>147,171</u>	<u>21,610,233</u>	<u>21,834,122</u>
Transfer between funds		-	85,992	(85,992)	-
<b>Net incoming resources for the period</b>		<u>76,718</u>	<u>233,163</u>	<u>21,524,241</u>	<u>21,834,122</u>
<b>Other recognised gains and losses</b>					
Actuarial gains/(losses) on defined benefit pension scheme	30	-	(307,000)	-	(307,000)
<b>Net movement in funds</b>		<u>76,718</u>	<u>(73,837)</u>	<u>21,524,241</u>	<u>21,527,122</u>
<b>Total funds carried forward</b>		<u>76,718</u>	<u>(73,837)</u>	<u>21,524,241</u>	<u>21,527,122</u>

The statement of financial activities includes all gains and losses in the period and therefore a separate statement of total recognised gains and losses has not been prepared

All of the above amounts relate to continuing activities. All of the academy trust's activities derive from acquisitions in the current financial period.

The notes on pages 27 to 49 form an integral part of these financial statements.

**The Corsham School**  
**(A company limited by guarantee)**

**Balance sheet**  
**as at 31 August 2012**

	Notes	31/08/12 £	£
<b>Fixed assets</b>			
Tangible assets	18		21,524,241
<b>Current assets</b>			
Debtors	19	199,623	
Cash at bank and in hand		872,231	
		<u>1,071,854</u>	
<b>Creditors: amounts falling due within one year</b>	20	<u>(392,973)</u>	
<b>Net current assets</b>			<u>678,881</u>
<b>Total assets less current liabilities</b>			22,203,122
<b>Provisions for liabilities and charges</b>	21		<u>(676,000)</u>
<b>Net assets</b>			<u>21,527,122</u>
<b>Funds</b>			
Unrestricted funds	23		76,718
Restricted funds	24		(73,837)
Restricted fixed asset fund	25		21,524,241
			<u>21,527,122</u>

The financial statements were approved by the governors on 13 November 2012 and signed on its behalf by

  
**Niall Smiddy**  
Governor

Registration number 07550425

The notes on pages 27 to 49 form an integral part of these financial statements.

**The Corsham School**  
**(A company limited by guarantee)**

**Cash flow statement**  
**for the period ended 31 August 2012**

	Notes	Period ended 31/08/12 £
Net incoming resources for the period		21,488,743
Cash transferred on conversion to an academy trust		345,379
Interest receivable		(1,007)
Fixed assets transferred on conversion		(22,165,000)
Depreciation and impairment		640,759
(Increase) in debtors		(199,623)
Increase in creditors		392,973
Pension deficit transferred on conversion		368,000
Pension finance costs		1,000
<b>Net cash from operating activities</b>		<b>871,224</b>
Returns on investments and servicing of finance	28	1,007
<b>Increase in cash in the period</b>		<b>872,231</b>
<b>Reconciliation of net cash flow to movement in net funds</b>	29	
<b>Increase in cash in the period</b>		<b>872,231</b>
<b>Net funds at 3 March 2011</b>		<b>-</b>
<b>Net funds at 31 August 2012</b>		<b>872,231</b>

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

**The Corsham School**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the period ended 31 August 2012**

**1. Accounting policies**

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the period.

**1.1. Basis of accounting**

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

**1.2. 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.

**1.3. Fund accounting**

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

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

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

**The Corsham School**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the period ended 31 August 2012**

**1.4. Incoming resources**

All incoming resources are included in the statement of financial activities when the company is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income includes private donations and money for school trips and are accounted for when receivable and when there is certainty of receipt.

Activities for generating funds includes goods and services, music and exam income. They are accounted for when receivable and to the extent that the goods have been provided or service completed.

Investment income is included when receivable.

Incoming resources from academy activities includes grants received from EFA and other government grants. These are included when receivable. 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.

Other incoming resources includes letting income which is included when receivable and to the extent that the service is complete.

**1.5. Resources expended**

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of generating income are costs incurred in attracting voluntary income and catering income.

Costs within the academy's education activities are costs incurred on the Academy Trust's educational operations.

Support costs are those costs incurred directly in support of expenditure on the objects of the company.

Governance costs are those costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit. One percent of the senior leadership teams staff costs have been allocated to governance costs to represent their time spent on governance activities.

**The Corsham School**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the period ended 31 August 2012**

**1.6. Conversion to an academy trust**

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration and has been accounted for under the acquisition accounting method

The assets and liabilities transferred on conversion from The Corsham School to an 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. Their fair value is in accordance with the accounting policies set out for The Corsham School. The amounts have been recognised under the appropriate balance sheet categories, with the corresponding amounts recognised in voluntary income and cost of generating funds in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Assets and liabilities transferred include

Long leasehold property of 125 years for which the insurance valuation has been used. Plant and machinery for which an estimated valuation has been used. LGPS deficit for which the actuarial valuation on conversion was used and cash at bank.

**1.7. Tangible fixed assets and depreciation**

Individual fixed assets costing £10,000 or more are capitalised.

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Leasehold property	-	2% Straight Line
Plant and machinery	-	20% Straight Line

**The Corsham School**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the period ended 31 August 2012**

**1.8. Defined benefit pension schemes**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 30, the TPS is a multi employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least annually 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.



**The Corsham School**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the period ended 31 August 2012**

**2. Conversion to an academy trust**

On 3 March 2011 The Corsham School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Corsham School from the Local Authority for £nil consideration

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net income in the Statement of Financial Activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA

	Unrestricted funds £	Restricted funds £	Restricted Fixed asset funds £	Period ended 31/08/12 Total £
Tangible fixed assets				
- Freehold/leasehold land and buildings	-	-	22,115,000	22,115,000
- Other tangible fixed assets	-	-	50,000	50,000
Budget surplus/(deficit) on LA funds				-
Budget surplus/(deficit) on other school funds				-
LGPS pension surplus/(deficit)	-	(368,000)	-	(368,000)
Borrowing obligations				-
Other identified assets and liabilities	86,690	258,689		345,379
Net assets/(liabilities)	<u>86,690</u>	<u>(109,311)</u>	<u>22,165,000</u>	<u>22,142,379</u>

The above net assets/(liabilities) include £345,379 that were transferred as cash

**The Corsham School**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the period ended 31 August 2012**

<b>3. General Annual Grant (GAG)</b>	
<b>Results and Carry Forward for the Period</b>	<b>Period ended 31/08/12</b>
	<b>£</b>
GAG allocation for current period	9,925,707
<b>Total GAG available to spend</b>	9,925,707
Recurrent expenditure from GAG	(9,655,362)
<b>GAG carried forward to next year</b>	270,345
Max permitted GAG carry forward at end of current period (12% of allocation for current period)	1,191,085
<b>GAG to surrender to EFA</b>	
(12% rule breached if result negative)	920,740
	(no breach)

<b>4. Voluntary income</b>			<b>Restricted Fixed asset funds</b>	<b>Period ended 31/08/12 Total</b>
	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>£</b>	<b>£</b>
School fund income	140,047	-	-	140,047
	140,047	-	-	140,047
Assets transferred from predecessor school	86,690	258,689	22,165,000	22,510,379
	226,737	258,689	22,165,000	22,650,426

Included in assets transferred from predecessor school is a balance of £86,690 in relation to school trips. This balance has been transferred in on a cash basis because sufficient information was not available to include this on an accruals basis.

The school fund accounting system indicates that part of this balance is likely to relate to trips undertaken during the current accounting period.

The school fund has been accounted for on an accruals basis for the current accounting period.

**The Corsham School**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the period ended 31 August 2012**

**5. Activities for generating funds**

	Unrestricted funds	Restricted funds	Period ended 31/08/12 Total
	£	£	£
Exams income	7,971	-	7,971
Music income	55,099	-	55,099
Lettings and rental income	4,395	-	4,395
	<u>67,465</u>	<u>-</u>	<u>67,465</u>

**6. Incoming resources from academy activities**

	Restricted funds	Fixed asset funds	Period ended 31/08/12 Total
	£	£	£
GAG School Budget Share Grant	8,729,871	-	8,729,871
GAG-LACSEG Grant	497,675	-	497,675
GAG- Insurance grant	67,927	-	67,927
GAG- Mainstreamed grants	303,066	-	303,066
Other Grants	208,149	-	208,149
Capital Grants	-	85,992	85,992
GAG- other grants	119,019	-	119,019
	<u>9,925,707</u>	<u>85,992</u>	<u>10,011,699</u>

**7. Other incoming resources**

	Unrestricted funds	Restricted funds	Period ended 31/08/12 Total
	£	£	£
Other income	64,041	7,466	71,507
	<u>64,041</u>	<u>7,466</u>	<u>71,507</u>

**The Corsham School**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the period ended 31 August 2012**

**8. Cost of generating income**

	Unrestricted funds £	Restricted funds £	Period ended 31/08/12 Total £
School fund	201,280	-	201,280
	<u>201,280</u>	<u>-</u>	<u>201,280</u>
Pension deficit from predecessor school	-	368,000	368,000
	<u>201,280</u>	<u>368,000</u>	<u>569,280</u>

**9. Costs of academy educational activities - by fund type**

	Unrestricted funds £	Restricted funds £	Restricted Fixed asset funds £	Period ended 31/08/12 Total £
Direct provision of education	67,799	9,656,362	640,759	10,364,920
	<u>67,799</u>	<u>9,656,362</u>	<u>640,759</u>	<u>10,364,920</u>

**The Corsham School**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the period ended 31 August 2012**

**10. Costs of academy educational activities - by activity**

	Activities undertaken	Support	Period ended 31/08/12
	£	£	£
<b>Direct provision of education</b>			
Staff costs	6,203,648	1,600,623	7,804,271
Depreciation	-	640,759	640,759
Educational supplies	304,823	-	304,823
Examination fees	217,529	-	217,529
Security and transport	-	27,499	27,499
Maintenance of premises and equipment	-	399,297	399,297
Rent and Rates	-	77,568	77,568
Insurance	-	59,381	59,381
Heat and Light	-	123,377	123,377
Operating lease	-	155,774	155,774
Professional fees	-	60,635	60,635
Telephone	-	8,441	8,441
Other costs	415,900	68,666	484,566
Finance costs - Defined benefit scheme	-	1,000	1,000
	<u>7,141,900</u>	<u>3,223,020</u>	<u>10,364,920</u>

**11. Governance costs**

	Unrestricted funds	Restricted funds	Period ended 31/08/12 Total
	£	£	£
Establishment - Repairs & maintenance	554	-	554
Office expenses - Other	5,473	-	5,473
Bank charges	-	387	387
Support - Staff costs - Wages & salaries	7,426	10,017	17,443
Support - Professional - Auditor remuneration	-	9,925	9,925
	<u>13,453</u>	<u>20,329</u>	<u>33,782</u>

**The Corsham School**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the period ended 31 August 2012**

**12. Analysis of support costs**

	<b>Teaching</b>	<b>Governance</b>	<b>Period ended 31/08/12</b>
	<b>£</b>	<b>costs</b>	<b>Total</b>
		<b>£</b>	<b>£</b>
Staff costs	1,600,623	17,443	1,618,066
Operating lease payments	155,774	-	155,774
Rates and water	77,568	-	77,568
Light and heat	123,377	-	123,377
Repairs and maintenance	399,297	-	399,297
Insurance	59,381	-	59,381
Motor and travelling costs	27,499	-	27,499
Auditors' remuneration	-	9,925	9,925
Other professional fees	60,635	-	60,635
Communication and information technology	8,441	-	8,441
Other office expenses	68,666	-	68,666
Depreciation and impairment	640,759	-	640,759
Finance costs - Defined benefit scheme	1,000	-	1,000
	<u>3,223,020</u>	<u>27,368</u>	<u>3,250,388</u>

**13. Net incoming resources for the period**

	<b>Period ended 31/08/12</b>
	<b>£</b>
Net incoming resources is stated after charging	
Depreciation and other amounts written off tangible fixed assets	640,759
Operating lease rentals	
- Plant and machinery	155,774
Auditors' remuneration (Note 14)	<u>9,925</u>

**14. Auditors' remuneration**

	<b>Period ended 31/08/12</b>
	<b>£</b>
Auditors' remuneration - audit of the financial statements	<u>7,250</u>
Auditors' remuneration - other fees	
- Accounting support	<u>2,675</u>

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**15. Employees**

<b>Employment costs</b>	<b>Period ended 31/08/12 £</b>
Wages and salaries	6,596,213
Social security costs	402,052
Staff pension contributions	781,158
Other costs	42,291
	<u>7,821,714</u>

**Number of employees**

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

	<b>Period ended 31/08/12 Number</b>
£70,001 to £80,000	1
£80,001 to £90,000	1
£110,001 to £120,000	<u>1</u>

The number of higher paid employees accruing pension benefit was

	<b>Period ended 31/08/12 Number</b>
Defined benefits scheme	<u>3</u>

The total contributions paid by the charity into the defined benefits scheme for higher paid employees was £80,218

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The average monthly numbers of employees (including senior leadership team) employed by the academy during the period expressed as full time equivalents was as follows

	<b>Period ended 31/08/12 Number</b>
Teaching staff	85
Administration and Support Staff	45
Management	5
	<hr/> 135 <hr/>

**15.1. Governors' emoluments**

The governors who are also direct employees are remunerated for their services as teaching or support staff at the school

No governors received payment for expenses during the period

**16. Governors' and Officers' Insurance**

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provided cover up to £5,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

**17. Taxation**

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



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18. Tangible fixed assets	Long leasehold property £	Plant and machinery £	Total £
<b>Cost</b>			
At 3 March 2011	-	-	-
Additions - Transfer on conversion	22,115,000	50,000	22,165,000
Additions	-	-	-
At 31 August 2012	<u>22,115,000</u>	<u>50,000</u>	<u>22,165,000</u>
<b>Depreciation</b>			
At 3 March 2011	-	-	-
Charge for the period	626,592	14,167	640,759
At 31 August 2012	<u>626,592</u>	<u>14,167</u>	<u>640,759</u>
<b>Net book value</b>			
At 31 August 2012	<u>21,488,408</u>	<u>35,833</u>	<u>21,524,241</u>

19. Debtors	Period ended 31/08/12 £
Other debtors	98,183
Prepayments and accrued income	<u>101,440</u>
	<u>199,623</u>

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**20. Creditors: amounts falling due within one year**

	Period ended 31/08/12 £
Trade creditors	122,478
Taxes and social security creditor	108,239
Accruals and deferred income	162,256
	<u>392,973</u>

**Deferred income**

	Period ended 31/08/12 £
Resources deferred in the period	98,710
Deferred Income at 31 August 2012	<u>98,710</u>

At the balance sheet date the academy was holding funds received in advance for an insurance reimbursement, 6th Form Bursary Income, Capital Income and school trips

**21. Provisions for liabilities**

	Period ended 31/08/12 £
<b>Pension obligations</b>	
At 3 March 2011	(368,000)
Pension deficit	<u>(308,000)</u>
At 31 August 2012	<u>(676,000)</u>

The pension provision arises due to the Local Government Pension Scheme (see note 30)

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**22. Analysis of net assets between funds**

	Unrestricted funds £	Restricted funds £	Restricted Fixed asset funds £	Total funds £
Fund balances at 31 August 2012 as represented by				
Tangible fixed assets	-	-	21,524,241	21,524,241
Current assets	142,314	929,540	-	1,071,854
Current liabilities	(65,596)	(327,377)	-	(392,973)
Defined benefit pension provision	-	(676,000)	-	(676,000)
	<u>76,718</u>	<u>(73,837)</u>	<u>21,524,241</u>	<u>21,527,122</u>

**23. Unrestricted funds**

	At 3 March 2011 £	Incoming resources £	Outgoing resources £	At 31 August 2012 £
General funds	<u>-</u>	<u>359,250</u>	<u>(282,532)</u>	<u>76,718</u>

**Purposes of unrestricted funds**

These funds are for the general use of the Academy of which £28,764 relates to non public funds which have historically been accounted for separately

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24. Restricted funds	At 3 March 2011 £	Incoming resources £	Outgoing resources £	Transfers £	Gains and losses £	At 31 August 2012 £
Provision of education	-	10,191,862	(10,044,691)	85,992	(307,000)	(73,837)

**Purposes of restricted funds**

The restricted funds are used directly for the provision of education. They include the LGPS pension scheme provision of £676,000

The reserves available for utilisation amount to £650,117 and are made up of -

	£
Restricted funds	(73,837)
LGPS pension provision	676,000
	<u>602,163</u>
Plus	
Unrestricted funds (note 23)	76,718
School fund surplus (note 23)	(28,764)
	<u>47,954</u>
	<u>650,117</u>

25. Restricted fixed asset fund	At 3 March 2011 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 August 2012 £
Restricted fixed asset fund	-	22,250,992	(640,759)	(85,992)	21,524,241

**Purposes of restricted fixed asset funds**

The funds are used for the purpose of buying or constructing fixed assets

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**26. Financial commitments**

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

	<b>Other 31/08/12 £</b>
<b>Expiry date:</b>	
Within one year	16,849
Between one and five years	93,598
	<u>110,447</u>

**27. Controlling interest**

It is considered that there is no controlling party.

**28. Gross cash flows**

	<b>Period ended 31/08/12 £</b>
<b>Returns on investments and servicing of finance</b>	
Interest received	1,007
	<u>1,007</u>

**29. Analysis of changes in net funds**

	<b>Cash flows £</b>	<b>Closing balance £</b>
Cash at bank and in hand	872,231	872,231
<b>Net funds</b>	<u>872,231</u>	<u>872,231</u>

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**30. Pension and other post-retirement benefits**

The Academy's employees belong to two principal pension schemes the Teacher's Pension Scheme England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff Both are defined -benefit schemes The pension costs are assessed in accordance with the advice of independent qualified actuaries The latest actuarial valuation of the TPS was 31 March 2004 and of the LGPS 31 August 2012

**Teacher's Pension Scheme**

The Teachers' Pension Scheme ("TPS") is a statutory, contributory, defined benefit scheme The regulations under which the TPS operates are the Teacher' Pensions Regulations 2010

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

The Teachers' 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 (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return

The Government Actuary ("GA"), using nominal actuarial principles, conducts formal actuarial reviews of the TPS The aim of the reviews is to specify the level of future contributions

The contribution rate paid into the TPS is assessed in two parts, First, a standard contribution ("SCR") is determined This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire service of these teachers and lecturers would broadly defray the costs of benefits payable in respect of that service Secondly, a supplementary contribution is payable if, as a result of the actuarial investigation, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by 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 - 31 March 2004 The GA's report of October 2006 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £166,500 millions The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £163,240 millions The assumed real rate of return is 3.5% in excess of prices and 2% in excess of earnings The rate of real earnings growth is assumed to be 1.5% The assumed gross rate of return is 6.5%.

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As from 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.25%, which translated into an employee contribution of 6.4% and employer contribution rate of 14.1% payable. The cost-sharing agreement also introduced-effective for the first time in 2008 variation - a 14% cap on employer contributions.

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

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

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

**Local Government Pension Scheme**

The academy is one of several employing bodies included within the Local Government Pension Scheme (LGPS).

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. Contributions to the scheme are determined by a qualified actuary on the basis of the roll-forward approach using the New Academy Valuation as at 1 April 2011 allowing for different financial assumptions required under FRS17. The total contributions for the period were £270,000 of which employer's contributions totalled £204,000 and employees' contributions totalled £66,000. The agreed contribution rates for future years are 18.8% for employers and between 5.5% and 7.5% for employees depending on their full time equivalent salary.

The New Academy valuation involved projecting future cashflows to be paid from the fund and placing a value on them. These cashflows include pensions currently being paid to members of the Scheme as well as pensions (and lump sums) that may be payable in future to members of the fund or their dependants. These pensions are linked to inflation and will normally be payable on retirement for the life of the member or a dependant following a member's death. The projected unit method has been used to calculate service cost.

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**The main assumptions used by the actuary were:**

	<b>2012</b>
	<b>%</b>
Rate of increase in salaries	4.50
Rate of increase in pensions in payment	2.20
Discount rate	4.10
Inflation assumption (RPI)	2.90
Inflation assumption (CPI)	2.10

**Sensitivity analysis**

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below

	<b>Approximate % increase to Employer Liability</b>	<b>Approximate monetary amount (£000)</b>
<b>Change in assumptions at 31 August 2012:</b>		
0.5% decrease in Real Discount Rate	14%	225
1 year increase in member life expectancy	3%	51
0.5% increase in the Salary Increase Rate	7%	108
0.5% increase in the Pension Increase Rate	7%	110

The current mortality assumptions include sufficient allowance for future improvements in mortality rates  
The assumed life expectations on retirement age 65 are

	<b>As at 31/08/12</b>
Retiring today	
Males	21.3
Females	23.6
Retiring in 20 years	
Males	24.9
Females	25.5



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The fair value of the scheme assets and the expected rate of return, the present value of the scheme liabilities and the resulting surplus/(deficit) are

	2012
	Long-term rate of return expected %
	£ 000's
Equities	5.5 686
Bonds	3.5 195
Property	3.7 113
Cash	2.8 31
Total fair value of assets	1,025
Present value of scheme liabilities	(1,701)
Surplus/(Deficit) in the scheme	(676)
Related deferred tax liability	-
Net pension asset/(liability)	(676)

The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period. The expected returns have been calculated using 5,000 simulations of HRAM, calibrated using market data as at a recent date. The only exception to the use of HRAM is in deriving the expected return on bond assets, for which the yields applicable at the accounting date on suitable bond indices have been used.

An analysis of the movements in the deficit during the period is shown below

	Period ended 31/08/12 £ 000's
At 1 April 2011	(368)
Total operating charge	(193)
Total finance costs	(12)
Actuarial loss	(307)
Contributions	204
At 31 August 2012	(676)

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**An analysis of the defined benefit cost follows:**

**Analysis of the amount recognised in the statement of financial activities:**

	<b>Period ended 31/08/12 £ 000's</b>
Current service cost	193
Interest on obligation	101
Expected return on Scheme assets	(89)
	<hr/>
Total operating charge	205
	<hr/>

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

	<b>Period ended 31/08/12 £ 000's</b>
Opening Defined Benefit Obligation	1,153
Service cost	193
Interest cost	101
Actuarial losses/ (gains)	188
Estimated benefits paid (net of transfers in)	-
Contributions by Scheme participants	66
	<hr/>
Closing Defined Benefit Obligation	1,701
	<hr/>

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

	<b>Period ended 31/08/12 £ 000's</b>
Opening fair value of Scheme assets	785
Expected return on Scheme assets	89
Actuarial gains/(losses)	(119)
Contributions by employer including unfunded	204
Contributions by Scheme participants	66
Estimated benefits paid (net of transfers in and including unfunded)	-
Fair value of Scheme assets at end of period	<u>1,025</u>

The estimated value of employer contributions for the year ended 31 August 2013 is £170,000

**The history of experience adjustments is as follows:**

	<b>Period ended 31/08/12 2012 £ 000's</b>
Defined Benefit Obligation	(1,701)
Scheme assets	1,025
Surplus/(deficit)	(676)
Experience adjustments on Scheme liabilities	-
Experience adjustments on Scheme assets	(119)

The cumulative gains and losses in the table above start from 1 April 2011

The actual gains and losses for the current period are recognised in the statement of financial activities  
The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £307,000 loss

**31. Company limited by guarantee**

The Corsham School is a company limited by guarantee and accordingly does not have a share capital

Every member of the company undertakes to contribute such amount as may be required not exceeding £10 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member