

Company Number 07555066



The John Warner School

Annual Report

31 August 2013



Baker Tilly Tax and Accounting Limited
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Guildford, Surrey GU1 1UN

The John Warner School

Annual Report

for the year ended 31 August 2013

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Governors' Annual Report

for the year ended 31 August 2013

The Governors present their report and the financial statements of The John Warner School (also referred to as the "Academy") for the year ended 31 August 2013.

Reference and Administrative Details

The Governors, who are also trustees of the charity and the directors of the company, have held office since 1 September 2012, as follows

Mrs F L Ives	Chair (appointed as Chair on 1 September 2013)
K R Cockman OBE	Chair (resigned 31 August 2013)
Mr D J Kennedy BA, FRSA	Headteacher & Accounting Officer
Mr A Mitchell BSc, FCA	Vice Chair
Mrs W E Newby	Responsible Officer
Prof B C Barker	(appointed 6 November 2012)
Mr M Castiglione	
Mr P Cuffaro BEng	
Mr G A Dykes BSc, FCA	
Ms S A Hurwood BA	
Ms M Jaggs	
Mr A C Lebaigue	
Mr J Manitarra	
Ms E B McHugh BA, MSc	
Ms L K Morbey BA, MSc	
Ms K B Puttock	
Ms S Sharp	
Mr I J Vickers BSc	(resigned 14 November 2012)

Prof J. Wood CBE, FREng, Mr T Hutchings, Mrs J Rich Mr N Feely and Miss C Agunwah are associate governors and in that capacity are neither trustees of the charity nor directors of the company

The principal address of the charity and the registered office of the company are the premises of The John Warner School at Stanstead Road, Hoddesdon, Hertfordshire EN11 0QF

The John Warner School is an exempt charity that is not therefore required to register with the Charity Commission, and the company is incorporated with the company registration number 07555066 Mr D A Allman is the company secretary and Ms F. Cacciatore is the clerk to the Board of Governors

The Governors have made the following professional appointments

Solicitor:	Stone King LLP, 16 St John's Lane, London EC1M 4BS
Accountant	Baker Tilly Tax and Accounting Limited, 3 rd Floor, One London Square, Cross Lanes, Guildford, Surrey GU1 1UN

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Auditor	Baker Tilly UK Audit LLP, The Pinnacle, 170 Midsummer Boulevard, Milton Keynes, Buckinghamshire MK9 1BP
Banker	Lloyds TSB Bank Plc, Hitchin Branch, PO Box 1000, BX1 1LT
Chartered Surveyor	Lambert Smith Hampton, 45 Grosvenor Road, St Albans, Hertfordshire AL1 3AW

In addition to the Headteacher, the following other key senior members of staff that comprise the Senior Leadership Team are responsible for the day-to-day management of the Academy

Mrs S Pringle DSBM, AinstAM(Dip), ACIM	Bursar
Mr D Allman BSc, MA, NPQH, FRSA,	Deputy Headteacher
Mr J Scott BA, MA, NPQH,	Deputy Headteacher

Structure, Governance and Management

Constitution

The John Warner School is an exempt charity and a company limited by guarantee, not having share capital. The Memorandum and Articles of Association are the primary governing document of the Academy. The Governors of The John Warner School are also the directors of the Academy for the purposes of company law.

Members' Liability

The members of the Academy are Mr K R Cockman, Mrs F L Ives, Mr D J Kennedy, Mr A Mitchell and Mrs K Puttock.

Every member undertakes to contribute an amount not exceeding £10 to the assets of the Academy in the event of the Academy being wound up during the period of membership, or within one year thereafter.

History

The John Warner School has been set up as an Academy which took over the running of a senior school for boys and girls located in Hoddesdon, Hertfordshire. The John Warner School was itself originally a local authority operated school founded in 1953 and converted to academy status on 1 April 2011.

The Academy was incorporated on 8 March 2011 and is governed by the rules and regulations set down in its company Memorandum and Articles of Association dated 8 March 2011.

Organisational Structure

The Governors have responsibility for setting and monitoring the overall strategic direction of the Academy, approving decisions reserved to Governors and appointing key members of staff.

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The Governors meet as a board five times each year. All decisions reserved to the Governors are taken by the Board as a whole. Board sub-committees meet three times each year to consider detailed matters and recommend decisions to the full board.

There are currently four sub-committees, namely

- Finance,
- Personnel,
- Standards and Curriculum, and
- Resources and Accommodation

Additionally, ad hoc groups of Governors are established, as and when required, to consider specific issues and make recommendations to the Board.

Mrs W. Newby is the Responsible Officer and as such has an oversight role in relation to the systems and processes of control and risk management that operate throughout The John Warner School.

The Headteacher of The John Warner School is the Accounting Officer and works closely with both the other Governors and the senior staff of the Academy. The day-to-day management of the Academy rests with the Headteacher who has overall responsibility for operations, and is responsible for establishing a Senior Leadership Team, including the Bursar, Mrs S. Pringle.

Method of Recruitment, Appointment, Election, Induction & Training of Governors

The Governors have set up procedures that will enable them to regularly review the mix of skills that should be available to the Board. New Governors will then be sought with these skills, either as additional Governors or replacements when existing Governors stand down. It is anticipated that the great majority of new Governors will be drawn from the local community, being either parents or guardians of pupils at the Academy or others that have shown an interest in the future well-being of the Academy and its pupils. Recruitment is therefore likely to be through a combination of approaches to individuals with known skills and by wider communications to those within the Huddersdon area of Hertfordshire.

New Governors will be appointed to the Board by the existing Governors until the date of the next Annual General Meeting, at which time they are eligible for re-election for a period of four years. At the end of a four year term, retiring Governors are eligible for re-election for a further term. Individual Governors attend training courses and conferences organised by appropriate bodies in order to ensure their knowledge and understanding is fully up to date. A series of briefings for the Board and the senior management team of the Academy as a whole is being designed that is based on areas of potential interest and/or concern.

Risk & Corporate Governance Matters

The Governors have a robust attitude to risk management. The risk register matrix defines and considers risk, its potential impact, control procedures, monitoring and responsibility. The register is reviewed annually by the relevant sub-committee of the governing body and presented to the full governing body for approval as is the case for all school policies. The risk register matrix categorises risk under the following headings: strategic, reputational, operational and compliance risks. Governors additionally consider business continuity planning.

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Governors complete criminal records bureau checks as they undertake site visits in respect of their work in safeguarding, health and safety, admissions and in the role of Responsible Officer.

Governors receive regular reports from staff and Governor feedback following onsite visits

The Responsible Officer checks that control procedures that are in place provide reasonable but not absolute assurance against material misstatement or loss. Regular financial assessment is entrusted to the Finance and Premises committee who meet a minimum of three times per year.

A comprehensive insurance policy is in place providing cover for the main risks, alongside statutory requirements.

Governors' Responsibilities in the Preparation of Financial Statements

The Governors (who are also the trustees and directors of The John Warner School for the purposes of charity and company law) are responsible for preparing the Governors' Annual Report and the financial statements in accordance with the Academies Accounts Direction 2013 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 Academy, and of its incoming resources and application of resources, including income and expenditure, for that period. In preparing those 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 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 Academy will continue in business.

The Governors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Academy and enable them to ensure that the financial statements comply with Companies Acts 2006. They are also responsible for safeguarding the assets of the Academy 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 Academy applies financial and other controls, which conform to the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the Department for Education (DfE) via the Education Funding Agency (EFA) have been applied for the purposes intended.

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

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Auditor

Baker Tilly UK Audit LLP has indicated its willingness to continue in office

Statement as to Disclosure of Information to the Auditor

The Governors at the date of approval of this Governors' Annual Report confirm that so far as each of them is aware, there is no relevant audit information of which the Academy'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.

Professional Indemnity Insurance

The Academy has taken out a combined insurance policy that includes

- building and contents insurance,
- business interruption insurance,
- employers, public and products liability insurance with indemnity to hirers extension;
- money with assault,
- personal accident,
- engineering,
- fidelity guarantee insurance, and
- professional indemnity insurance to cover the Academy (including trustees, Governors, Academy employees and the parent teachers association)

Professional indemnity cover is provided up to an aggregate limit of £2 million in the insurance year. The total premium paid by the Academy for the insurance package during the accounting period was £40,261 (2012 £65,214). In addition, the Academy purchases vehicle insurance for its minibuses and annual travel insurance for school visits at a total cost of £3,734 (2012 £2,541).

Objectives and Activities

Charitable Objectives

The charitable objectives for which The John Warner School was established are set down in the governing document as follows

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

Principal Activities

The principal activity of the Academy is currently to run a senior school for boys and girls located in Hoddesdon and known as The John Warner School

In addition, the Academy operates the John Warner School Sports Centre for the benefit of the Academy's pupils and also primary school pupils in the locality

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In accordance with its charitable objectives, the Academy seeks to advance the education of the children attending the Academy. The Academy's primary beneficiaries are therefore the students and their parents. The principal means whereby this activity is carried out is by maintaining a high standard of education for all within the Academy. These objectives have been certified by Ofsted as outstanding.

The Sports Centre is a joint venture with the Borough of Broxbourne governed by a dual-use agreement. This agreement allows the Sports Centre to operate for the benefit of the local community and for the Academy. The Academy provides the Sports Centre with appropriate amount of funding to support its maintenance and running. In return the Borough of Broxbourne operates the Sports Centre and maintains it for the benefit of both the pupils of the Academy and the local community. It is not possible to quantify the financial benefit of this arrangement but it is undoubtedly the case that both the Academy population and the local community benefit from the dual-use facility.

Indicators, Milestones & Benchmarks

The Governors use the following key measures to assess the success of the activities of the Academy:

- Pupil performance at the end of each key stage, viewed in the context of challenging academic targets. The Academy benchmarks itself against the highest performing 10% of schools in the country as identified by the Fischer Family Trust, and sets its targets well in excess of the expected levels of progress made by pupils nationally,
- Quantitative and qualitative data generated from pupil and parental satisfaction surveys is used to narrow the potential gaps in attainment for different groups of children,
- Ofsted and externally validated quality assurance marks including Customer Service Excellence and Investors in People are used in order to identify ways to improve the Academy further,
- Internal monitoring mechanisms also include lesson observation, appraisal and faculty review, and
- The Headteacher is a National Leader of Education and the Academy is both a National Support School and a member of the Leading Edge Programme. These accreditations provide the Academy with additional mechanisms for assessing the success of the activities of the Academy, and are determined according to the aspect under evaluation.

Public Benefit

The Governors have taken The Charity Commission's specific guidance on public benefit (contained within the guidance document "The Advancement of Education for the Public Benefit") into consideration in preparing their statements on public benefit contained within this Governors' Annual Report.

Benefits & Beneficiaries

In accordance with its charitable objectives, The John Warner School strives to advance the education of the pupils attending its Academy. The Academy's primary beneficiaries are therefore the pupils, and benefits to pupils are provided through continuing to maintain a high standard of education throughout the Academy.

Governors' Assessment of Public Benefit

In order to determine whether or not the Academy has fulfilled its charitable objectives for public benefit, the Governors gather evidence of the success of Academy's activities using the range of measures described above.

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Relationships with Related Parties

The Academy has a relationship with the Borough of Broxbourne which involves a dual-use agreement whereby the Borough operate the Academy's Sports Centre. This agreement has a 21 year timespan and was signed on 13 February 2002. There is a Governor councillor oversight group that meet twice a year.

Representation on Other Bodies

The Headteacher is a trustee of Personal Finance Education Group, a national charity specialising in finance education for young people. The Headteacher and members of the senior leadership team are engaged in work with a number of partner schools under the National Leadership of Education initiative.

Achievements and Performance

Review of Activities & Events

Governors use five main types of performance indicators in order to assess the performance of the Academy. These are:

- Pupil performance,
- Pupil and parental satisfaction,
- Ofsted and externally validated quality marks,
- Internal monitoring, and
- System leadership

The impact of the Academy's activities and events, and their public benefit, is given on pages 9 to 14.

Pupil Performance

Below are summary tables for the performance of students in the past four academic years. These show a rising trend in all academic measures.

Key Stage 5		2010	2011	2012	2013
No. of students		82	101	95	115
APS per student (QCA)	M	633	615	740	677
	F	721	626	724	644
	All	686	621	731	660
Total points per entry (QCA)	M	193	211	226	211
	F	209	207	214	209
	All	203	209	220	210
A*-A		13%	19%	30%	26%
A*-B		30%	41%	48%	41%
A*-E		94%	94%	96%	98%
Value added (achieving target grade or above)		62%	81%	81%	63%*

* The Academy revised its target setting mechanisms, therefore comparison between 2012 and 2013 is indirect.

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Key Stage 4	2010	2011	2012	2013
No of students	183	185	190	191
% 5 A*-C inc English and Maths	59	58	60	65
% 5 A*-C	89	91	98	90
% 5 A*-G	98	98	99.5	99.5
% English Baccalaureate		21	20	18
Average Points Score (capped)	345.0	355.8	358	350
Average Points Score (uncapped)	540.1	573.2	557	500

Pupil and parental satisfaction

The Academy has commissioned Kirkland Rowell, part of GL Performance, to provide detailed analyses about the levels of pupil and parental satisfaction provided by the Academy for many years

Outcomes from the November 2012 Kirkland Rowell Pupil Survey tell us that teaching quality, Academy facilities, control of bullying, availability of resources, Academy communication, social and health education, Academy discipline, community spirit, computer access, levels of homework, truancy control, and developing confidence are all exceptional, with all other criteria being nothing less than good

In relation to pupil happiness, 9 of the 15 selected criteria are seen as exceptional with none of the other criteria being less than good. Those 9 criteria include the way in which the Academy encourages local community activity, the quality of marking of pupils work, the way staff treat pupils fairly and equally, how the Academy handles complaints, how it encourages and listens to pupils' views, promotes racial harmony, provides extra-curricular activities and explains to parents how to help their children

Ofsted, and externally validated quality assurance marks

The Academy was last inspected in January 2011 where its overall effectiveness was judged to be outstanding. The main findings of that report are reproduced below

"The John Warner School is an outstanding school that has gone from strength to strength, improving strongly over the years. Outcomes for students in the main school are outstanding because they achieve well and many aspects of their personal development, including feeling safe, understanding of a healthy lifestyle, contribution to the community, future economic well-being and behaviour, are excellent. The school is very highly regarded in the local community and staff and students are very proud to belong to the school. Parents and carers are extremely positive about most aspects of the school and the following comments sum up the views of many: 'The school provides an excellent all round education' and 'The school has a very caring ethos and is superbly led'."

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Since the previous inspection there have been many significant improvements. For example, outcomes in the rapidly expanding sixth form are now good, the achievement of students with special educational needs and/or disabilities is now good and attendance is high. The science specialism has enabled new technology to be introduced and partnerships to be developed that have helped secure many of the improvements. Attainment in subjects such as English, French and history are consistently high. Progress in subjects where attainment has not been as good, such as mathematics and science, is improving rapidly due to very accurate self-evaluation, rigorous monitoring, and changes to the curriculum to ensure that courses are tailored much better to the needs of all students. The curriculum is outstanding, not only in this respect, but also in the wider enrichment experiences for students. They eagerly told inspectors of a recent visit by Sir Ian McKellen and how he had impressed them with his charity work on anti-bullying. Care, guidance and support are outstanding. Each child is known as an individual and this results in excellent behaviour and relationships which impact very well on learning.

Teaching is good and improving, aided by the introduction of a teaching and learning group and through close monitoring by leaders at all levels. However, there are a few lessons where teaching is still satisfactory and not enough where teaching is outstanding. There are insufficient opportunities for students to be actively involved in assessing their own learning. This means that in some areas progress is not rising as rapidly as it might do, nor attainment as high. At present new and inexperienced teachers are not mentored as effectively as they might be. There is much excellent practice in school in terms of teaching that is beginning to be shared well. However, the school recognises that this is an aspect that could be expanded to help in the further raising of attainment and acceleration of progress.

Central to the success of the school is the dedication of the headteacher. He is very ably assisted by the two deputy headteachers and a wide team of additional senior leaders. All have clear roles and work very well as a team. Middle leaders and staff feel very well supported and involved in the work of the school. Governance is outstanding and contributes very strongly to the school's success. The many improvements that have occurred since the previous inspection and the relentless drive to be even better, based on rigorous and accurate self-evaluation, mean that the capacity for further improvement is outstanding."

(Ofsted, 2011 3-4)

Kirkland Rowell now offers analyses linking directly to the Ofsted 2012 inspection framework, and a summary of pupil and parental responses from our November 2011 and November 2012 satisfaction surveys is as follows

- Both parents' and pupils' views of achievement are good and bordering on outstanding. The proportion of pupils who felt the Academy was improving rather than declining is outstanding as is the proportion of parents who feel that their children are doing their best, making good progress, and developing their potential,
- Pupils' views of the quality of teaching is very close to outstanding, whereas parents' views of the quality of teaching are that it is outstanding, and
- In terms of behaviour, the way in which the Academy promotes spiritual, moral, social and cultural aspects of learning (SMSC), leadership and management, and the overall effectiveness of the Academy, pupils see each of these aspects as outstanding whereas parents view each of these as very close to outstanding

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These are presented in tabular form below. A grade of 1.5 or less is seen as outstanding, and of 2.5 or less is seen as good.

Criteria	Pupils		Parents	
	2011	2012	2011	2012
Achievement	1.8	1.5	1.6	1.8
Teaching	1.8	1.6	1.4	1.5
Behaviour	1.7	1.2	1.2	1.4
Spiritual, Moral, Social and Cultural Aspects of Learning	1.6	1.3	1.2	1.3
Leadership and Management	1.6	1.2	1.5	1.6
Overall Effectiveness	1.7	1.4	1.4	1.6

Investors in People

The Academy holds Investors in People Gold Award and was invited to act as an IIP Champion, following an assessment visit in July 2010. In July 2013 we were reaccredited at Gold standard, and there were a significant number of strengths identified in the report. Some of the highlights include:

- Excellent practices in place to develop people, supported by a professional and passionate structure;
- Excellent focus on the wellbeing of staff,
- Strong core values and vision for Academy improvement,
- Social responsibility built naturally into the ethos of the Academy;
- Excellent feedback to parents and pupils,
- Empowerment and involvement in decision making at team and individual levels is a key strength,
- Everyone is committed to the success of the Academy,
- Faculty Reviews and Teacher Learning Communities are an outstanding example of people development,
- People's learning and development are well-planned at a strategic level,
- People clearly value the opportunities to learn and it is a daily activity,
- The SLT are clear about future learning needs,
- Managers are effective role models for leadership and knowledge sharing, and
- Key Performance Indicators are very closely measured

Customer Service Excellence

Customer Service Excellence is an industry standard that is a measure of quality in how the Academy consults and deals with its customers. It was originally known as Chartermark and has the support of the Government Cabinet Office. This mark recognises outstanding practice relating to how the Academy handles its customers, which in Academy terms means our pupils, parents and partners. It focuses on five key areas: delivery, timeliness, information, how professional our service is, and staff attitude. The award measures not only how successful our current services are but also how capable the Academy is with dealing with the most modern developments in customer service, for example, our ability to adapt to a changing media landscape.

The Academy was reaccredited in July 2012 and had our Year 1 continuous assessment in July 2013. The assessor confirmed we remained outstanding in our delivery of all standards. This was corroborated by our parental questionnaire for which we had a 25% response rate and the overall rating for our customer service was 90%. This is against an already challenging industry-specific benchmark of 80%.

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The Academy already held two areas of compliance plus from the 2012 assessment. These were that we treat all our customers fairly and with respect and this is confirmed by feedback and measurement of customer experience (element 2.1.4) and that we make our services easily accessible to all customers through provision of a range of alternative channels (element 3.1.1).

The July 2013 assessment confirmed our commitment to progress as we were designated compliance plus in three further areas of customer service. These are that we have developed customer insight about our customer groups to better understand their needs and preferences (element 1.1.2), that we have made positive changes to services as a result of analysing customer experience, including improved customer journeys (element 1.3.5), and that we promptly share customer information with colleagues and partners within our organisation whenever appropriate and can demonstrate how this has reduced unnecessary contact for customers (element 5.2.3).

In the words of the assessor, our strengths are as follows,

- The evolution of Go4Schools has had a massive impact on customer profiling and now allows for speedier interventions based on a detailed (finite) customer insight,
- Go4Schools has also created a more detailed map of the customer journey and has led to many improvements in service (teaching & support) delivery,
- Your corporate commitment to customer excellence is clearly evident through passionate and enthusiastic leadership which in turn has led to massive buy-in from your people as to the required ethos. It is indicative that you are seen by partners as a beacon for customer excellence within the County and that your Academy is held in very high esteem,
- Continuing to keep a wide variety of communication channels open and being innovative with new channels to meet the needs of your customers,
- Innovations such as Wise Pay and Cashless Catering are to be applauded,
- Interaction with wider communities with demonstrable benefits particularly around the 'Looked After Children' agenda,
- Your desire for challenging and stretching targets in preference to meeting all your targets and standards is to be commended, and
- A resolve to deal with enquiries 'right-first-time' from your front-line staff coupled with them taking personal ownership for any issues raised directly with them.

Internal monitoring

The Academy is committed to self-evaluation as a means of building its capacity for sustained improvement in the quality of the education it provides for all its students. We do this in as open a manner as we can and are committed to the principles of intelligent accountability. As such, all pupils and their parents/carers have complete access to their assessment records on line at all times.

The personal circumstances and academic performance of identified vulnerable groups is monitored on a weekly basis by both academic and pastoral staff with interventions devised in order to ensure that any potential gaps in achievement between pupils of different social, economic or domestic backgrounds are minimised. This is also the case when viewing performances in subject areas and across subject areas.

Within lessons themselves, all teaching staff are observed at least three times a year in order to evaluate the quality of teaching as it impacts on pupils' learning and in order to promote continuing professional development of staff.

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In the period from January 2011, after our last Ofsted to March 2012, the proportion of observed lessons that were at least good was 84%, with the proportion viewed to be outstanding reaching 40% of all those lessons seen

In the period April 2012 – July 2013, the proportion of observed lessons that were at least good rose to 88%, with the proportion viewed to be outstanding reaching 51% of all those lessons seen

System leadership

The John Warner School is an outward facing research enabled institution. It is committed to the continuing professional development of its staff as a vehicle for improving the quality of education for its pupils. With that in mind a high proportion of staff have conducted Master's level research into issues of leadership, management, pedagogy and practice and this is now embedded within the Academy's culture.

We work in partnership with the Princes' Teaching Institute, the Specialist Schools and Academies Trust' Leading Edge programme and the National College for Teaching and Leadership in the delivery of national professional qualifications in school leadership, and in developing innovative approaches to pupil centred independent learning.

All staff are actively encouraged to engage in school to school support, with initiatives to July 2013 including English, mathematics, science, modern foreign languages, humanities, design technology, electronic engineering, robotics, and physical education. We provide tailored advice and guidance in finance and resource management and continue to explore ways to contribute further through building and sharing leadership capacity across schools.

Financial Review

Financial Outcome of Activities & Events

The operational activities of the Academy during the year ended 31 August 2013 generated total incoming resources of £6,858,780 including core funding in respect of the General Annual Grant of £5,795,272 (Seventeen month period ended 31 August 2012 £44,088,206 including incoming resources arising upon conversion of £33,317,550 and General Annual Grant of £8,255,520).

Resources expended for the year ended 31 August 2013 amounted to £7,368,190 including depreciation on tangible fixed assets of £592,615 (Seventeen month period ended 31 August 2012 £10,057,387 including depreciation of £800,781).

The Academy continues to recognise its liability in respect of the Hertfordshire Local Government Pension Scheme on its balance sheet, which as at 31 August 2013 amounted to £854,000 (31 August 2012 £844,000). The Academy makes contributions to this pension scheme in accordance with the advice of the actuary and these contributions are funded from the General Annual Grant.

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Principal Risks and Uncertainties

As mentioned previously in this Governors' Annual Report, the Academy has a comprehensive risk management approach embedded throughout all of its operations. The Governors do not believe that the Academy needs to take any significant risks in order to achieve its aims and objectives.

There are no major risks or uncertainties in relation to the current or future finances of the Academy.

Going Concern

After making appropriate enquiries, the Governors have a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Governors have adopted the going concern basis in preparing the financial statements.

Financial Key Performance Indicators

In terms of financial key performance indicators, the Governors' main goal is to maintain a balanced budget at all times and to therefore undertake the Academy's educational operations in such a way that all costs incurred are fully funded by an identified and receivable source of income.

The Governors monitor expenditure against budget during the year and look at forecast cash flows to ensure continuing solvency.

Key ratios reviewed by Governors are actual, budgeted and forecast staff costs as a proportion of revenue income with the aim that these ratios should be maintained between 77% and 82% in each case.

Reserves Policy

The Governors' policy is to generate reserves to provide funds to continue to enhance the educational facilities and services of the Academy and to fund future projects. The Governors intend to review the reserves policy annually to ensure that this aim can be achieved.

At the balance sheet date, the Academy had free reserves of £121,683 (2012: £100,177).

The Governors intend to utilise these reserves in the near future to improve the infrastructure of the Academy's premises that were inherited from the local authority.

Investments Policy

The Governors' investment powers are set down in the Academy's Memorandum and Articles of Association, which permit the investment of monies of the Academy which are not immediately required for its purposes in such investments, securities or property as may be thought fit subject to any restrictions which may from time to time be imposed or required by law.

The Academy's current policy is to invest surplus funds in short-term cash deposits. For the year ended 31 August 2013, the Academy's cash balances generated an average income return of 0.8% (Seventeen month period ended 31 August 2012: 1.7%), which in the current economic climate the Governors consider to be reasonable.

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Plans for Future Periods

Future Strategy

The future development of The John Warner School is contained within the Academy's development plan for 2013 as approved by the Governors

The Academy values all its stakeholders and seeks

- To support all students and staff in a friendly, caring environment,
- To involve staff, students and parents in a positive and effective partnership,
- To provide equality of opportunity for all students, through a range of curricular and extra-curricular opportunities,
- To foster and strengthen links between Academy, home and local community, and
- To establish and maintain links with the world of work and education

Every child matters and we aim to ensure that all learners

- Lead a healthy lifestyle enjoying good physical and mental health,
- Are protected from harm and neglect,
- Acquire the skills which equip them to enjoy life and achieve their full potential as adults,
- Recognise the importance of human relationships based on understanding, tolerance and respect enabling them to contribute to society, and
- Acquire the knowledge, qualifications, skills and attitudes which enable them to achieve economic well-being

The long term aims of the Academy are to continue to provide a high quality of education to all students and their parents. It is anticipated that the Academy will continue to develop its core activity of teaching and learning in a way which allows the pupils to continue to benefit from the highest quality of education and to emerge from the Academy in a manner capable of making themselves good citizens, economically in a position to be able to live fulfilling and worthwhile lives

The Academy's development plans address all aspects of the needs of the Academy including the physical redevelopment and rebuilding of the premises and the continued professional development for staff at all levels which will ensure continuity of succession

Future Activities & Events

The Governors' short term aims are

- To address the needs of all of the students of the Academy so as to ensure that they achieve high levels of performance and make at least three levels of progress,
- To continue to provide a wide variety of cultural, sporting and learning opportunities outside the form of curriculum,
- To continue to work with other schools and education providers to advance the education of young people in general,
- To continue to expand and develop the Sixth Form so that it provides an excellent quality of education for students of the Academy and outside, and
- To continue to rebuild the Academy by raising monies through grants and other initiatives in order to provide the highest level of education possible for students and staff

The John Warner School

Governors' Annual Report

for the year ended 31 August 2013

Impact of Future Activities & Events

The targets set by the Governors are those set out in the Governing Body's development plan which is reviewed annually by the appropriate committees and by the full Governing Body. A number of indicators will be used, but will include examination performance at all levels, the successful retention of quality marks, reports from Ofsted etc

Public Benefit

Students of the Academy will be given every opportunity to fulfil their potential in the areas of academic performance, sporting and artistic endeavour. The students of the Academy will make a worthwhile contribution to their local community and to the wider community both in the United Kingdom and abroad. The quality of education that they receive will allow them to develop into citizens who can make a useful contribution to their local community and wider afield. The Academy is committed to value all of their students in their achievement and to provide them a platform for future success.

Funds Held as Custodian

Although the Academy maintains restricted funds to deal with incoming resources that are earmarked for a particular purpose by donors, sponsors, and other funders, The John Warner School does not hold, and the Governors do not anticipate that it will in the future hold, any funds as custodian for any third party.

This report was approved by the Board of Governors on 12 December 2013, and was signed for and on behalf of the board by



Mrs F L Ives

Chair

12 December 2013

The John Warner School

Governance Statement

for the year ended 31 August 2013

Scope of Responsibility

As Governors, we acknowledge we have overall responsibility for ensuring that The John Warner 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 Board of Governors has delegated the day-to-day responsibility to the Headteacher as Accounting Officer, for ensuring financial controls conform to 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 John Warner School and the Secretary of State for Education. They are also responsible for reporting any material weaknesses or breakdowns in internal control.

Governance

The structure of the Governing Body is set out in the Articles of Association. The main sub-committees of the Governing Body are Standards and Curriculum, Finance and Premises and Personnel. These meet at least three times a year and the full Governing Body meets at least five times a year. In addition, the Academy's Admissions Committee meets three times a year and thereafter as required and the Sports Centre Committee meets twice a year as a minimum.

The Chair of Governors and the Headteacher are ex-officio members of all committees. They may attend all the meetings and are copied in on all agendas, minutes and associated papers.

The Chair of Governors is the Governor with designated responsibility for child protection, looked after children, vulnerable children, gifted and talented children and safeguarding.

The Chair of the Pupil Discipline Committee is the Chair of the Standards and Curriculum Committee.

The Chair of Staff Dismissal Committee and members of the committee will be drawn from the whole Governing Body as required.

Designated Governors have specific responsibility for health and safety and for special educational needs.

The John Warner School

Governance Statement for the year ended 31 August 2013

Attendance at Meetings

The Governing Body met formally five times in the period from 1 September 2012 to 31 August 2013, but there were two additional meetings held informally during the year

Title	Firstname	Surname	Meetings attended	Out of a possible
Prof	Bernard	Barker	5	5
Mr	Mario	Castiglione	4	7
Mr	Keith	Cockman	7	7
Mr	Peter	Cuffaro	5	7
Mr	Graeme	Dykes	7	7
Mrs	Sarah	Hurwood	5	7
Mrs	Fiona	Ives	3	7
Miss	Michelle	Jaggs	6	7
Mr	David	Kennedy	7	7
Mr	Tony	Lebaigue	3	7
Mr	John	Manitara	5	7
Miss	Ellen	McHugh	6	7
Mrs	Lauren	Morbey	2 (on maternity leave)	7
Mr	Anthony	Mitchell	5	7
Ms	Wendy	Newby	4	7
Mrs	Kay	Puttock	7	7
Mrs	Sue	Sharp	5	7
Mr	Ian	Vickers	2	2

Finance and Premises Committee

Mr	Mario	Castiglione	5	5
Mr	Keith	Cockman	4	5
Mr	Graeme	Dykes	4	5
Mr	David	Kennedy	4	5
Mr	Antony	Lebaigue	4	5
Mr	Anthony	Mitchell	4	5
Mrs	Wendy	Newby	2	5
Mr	Ian	Vickers	1	1

Personnel Committee

Mr	Mario	Castiglione	2	3
Mr	Keith	Cockman	3	3
Mrs	Fiona	Ives	3	3
Mr	David	Kennedy	3	3
Mrs	Lauren	Morbey	0	3

The John Warner School

Governance Statement

for the year ended 31 August 2013

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 John Warner School's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The John Warner School for the year ended 31 August 2013 and up to the date of approval of the Governors' Annual Report and financial statements.

Capacity to Handle Risk

The Board of Governors has reviewed the key risks to which The John Warner School is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Governors is of the view that there is a formal on-going process for identifying, evaluating and managing The John Warner School's significant risks that has been in place for the year ended 31 August 2013 and up to the date of approval of the Governors' Annual Report and financial statements. This process is regularly reviewed by the Board of Governors.

The Risk and Control Framework

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

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

The Board of Governors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed Mrs Wendy Newby, a Governor, as Responsible Officer. The Responsible Officer's role includes giving advice on financial matters and performing a range of checks on The John Warner School's financial systems. On a quarterly basis, the Responsible Officer reports to the Board of Governors on the operation of the systems of control and on the discharge of the Board of Governors' financial responsibilities.

The John Warner School

Governance Statement

for the year ended 31 August 2013


Review of Effectiveness


As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year ended 31 August 2013, this 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; and
- the work of the executive managers within The John Warner School who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the Board of Governors on 12 December 2013 and signed on its behalf by


Mrs F L Ives Chair


Mr D J. Kennedy Accounting Officer

12 December 2013

12 December 2013

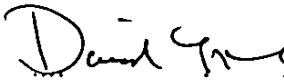
The John Warner School

Statement on Regularity, Propriety and Compliance for the year ended 31 August 2013

As Accounting Officer of The John Warner School, I have considered my responsibility to notify the Academy's Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy 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's Governing Body are able to identify any irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy'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.

 Accounting Officer
Mr D J Kennedy

12 December 2013

The John Warner School

Independent Auditor's Report to the Members of The John Warner School for the year ended 31 August 2013

We have audited the financial statements of The John Warner School for the year ended 31 August 2013 on pages 24 to 50. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), and the Academies Accounts Direction 2013 issued by the Education Funding Agency.

This report is made solely to the Academy'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 Academy's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and the Academy's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Governors and auditor

As explained more fully in the Statement of Governors' Responsibilities set out on page 5, the Governors (who act as trustees for the charitable activities of the Academy, and are also the directors of the Academy 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-\(issued-1-December-2010\).aspx](http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-(issued-1-December-2010).aspx)

Opinion on financial statements

In our opinion, the financial statements

- give a true and fair view of the state of the Academy'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 Companies Act 2006, and
- have been prepared in accordance with the Academies Accounts Direction 2013 issued by the Education Funding Agency.

Opinion on other requirement of the Companies Act 2006

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

The John Warner School

Independent Auditor's Report to the Members of The John Warner School for the year ended 31 August 2013

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

- the Academy has not kept adequate accounting records, 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

Baker Tilly UK Audit LLP

Sarah Mason (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

The Pinnacle

170 Midsummer Boulevard

Milton Keynes

Buckinghamshire MK9 1BP

Date *17 December 2013*

The John Warner School

Statement of Financial Activities

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

for the year ended 31 August 2013

		Year ended 31 August 2013				Seventeen month period ended 31 August 2012
		Unrestricted Funds	Restricted Funds General	Fixed Assets	Total 2013	
	Notes	£	£	£	£	£
Incoming Resources						
<i>Incoming resources from generated funds</i>						
Voluntary income – arising upon conversion	1	-	-	-	-	33,317,550
Voluntary income – other	1	6,284	168,399	-	174,683	1,247,485
Activities for generating funds	2	5,173	-	-	5,173	8,867
Investment income	3	4,639	-	-	4,639	13,968
<i>Incoming resources from charitable activities</i>						
Academy's educational operations	4	459,657	6,214,628	-	6,674,285	9,500,336
Total Incoming Resources		475,753	6,383,027	-	6,858,780	44,088,206
Resources Expended						
<i>Charitable activities</i>						
Academy's educational operations	5	154,419	6,481,982	668,775	7,305,176	9,953,234
<i>Governance costs</i>	5	-	63,014	-	63,014	104,153
Total Resources Expended		154,419	6,544,996	668,775	7,368,190	10,057,387
Net Incoming/(Outgoing) Resources Before Transfers		321,334	(161,969)	(668,775)	(509,410)	34,030,819
Transfers						
Gross transfers between funds		(301,178)	212,626	88,552	-	-
Net Income/(Expenditure) For The Year		20,156	50,657	(580,223)	(509,410)	34,030,819

The John Warner School
Statement of Financial Activities
(including Income & Expenditure Account and Statement of Total Recognised
Gains & Losses)
for the year ended 31 August 2013

		<div> <div>Year ended 31 August 2013</div> <div> <div>Unrestricted Funds</div> <div> <div>Restricted Funds</div> <div> <div>Fixed Assets</div> <div>Total 2013</div> </div> </div> </div> </div>				Seventeen month period ended 31 August 2012
	Notes	£	General £	£	£	£
Net Income/(Expenditure) For The Year		20,156	50,657	(580,223)	(509,410)	34,030,819
Other Recognised Gains/(Losses)						
Actuarial gains/(losses) on defined benefit pension schemes	10	-	27,000	-	27,000	(281,000)
Net Movement In Funds		20,156	77,657	(580,223)	(482,410)	33,749,819
Reconciliation of Funds						
Fund balances brought forward at 1 September 2012		114,284	(818,956)	34,454,491	33,749,819	-
Fund Balances Carried Forward At 31 August 2013	11	134,440	(741,299)	33,874,268	33,267,409	33,749,819

The net movement in funds for the year arises from the Academy's continuing operations (Seventeen month period ended 31 August 2012. the Academy's acquired operations).

The John Warner School

Balance Sheet
as at 31 August 2013

Company number 07555066

	Notes	2013 £	2012 £
Fixed Assets			
Tangible assets	7	33,887,025	34,468,598
Current Assets			
Stock		7,207	4,262
Debtors	8	210,205	230,849
Cash at bank and in hand		593,167	554,214
		<u>810,579</u>	<u>789,325</u>
Creditors Amounts falling due within one year	9	(576,195)	(664,104)
Net Current Assets		<u>234,384</u>	<u>125,221</u>
Total Assets Less Current Liabilities & Net Assets Excluding Pension Liability		<u>34,121,409</u>	<u>34,593,819</u>
Pension scheme liability	10	(854,000)	(844,000)
Net Assets Including Pension Liability		<u><u>33,267,409</u></u>	<u><u>33,749,819</u></u>
Funds of the Academy:			
Restricted funds			
Restricted fixed assets funds	11	33,874,268	34,454,491
Restricted general funds – other	11	112,701	25,044
		<u>33,986,969</u>	<u>34,479,535</u>
Restricted funds excluding pension reserve			
Restricted general funds – LGPS deficit fund	11	(854,000)	(844,000)
		<u>33,132,969</u>	<u>33,635,535</u>
Total restricted funds		<u>33,132,969</u>	<u>33,635,535</u>
Unrestricted income funds	11	134,440	114,284
Total Funds	12	<u><u>33,267,409</u></u>	<u><u>33,749,819</u></u>

The financial statements on pages 24 to 50 were approved by the Governors and authorised for issue on 12 December 2013, and are signed on their behalf by



Chair

Mrs F L Ives

12 December 2013

The John Warner School

Cash Flow Statement

for the year ended 31 August 2013

		Year ended 31 August 2013 £	Seventeen month period ended 31 August 2012 £
	Notes		
Net Cash Flow from Operating Activities	a	(45,533)	899,034
Returns on Investment & Servicing of Finance			
Investment income received		4,639	13,968
Capital Expenditure			
Payments to acquire tangible fixed assets		(88,552)	(1,591,535)
Capital grant income		168,399	1,232,747
		<u>79,847</u>	<u>(358,788)</u>
Increase in Cash	b & c	<u><u>38,953</u></u>	<u><u>554,214</u></u>

All of the Academy's cash flows for the previous period arose from the Academy's acquired operations

Cash balances of £208,101 arising in the previous period were acquired upon conversion to academy status

The John Warner School

Cash Flow Statement

for the year ended 31 August 2013

	Year ended 31 August 2013 £	Seventeen month period ended 31 August 2012 £	
a Reconciliation of Net Income/(Expenditure) to Net Cash Flow from Operating Activities			
Net incoming/(outgoing) resources and net income/ (expenditure) for the period	(509,410)	34,030,819	
Depreciation	592,615	800,781	
Loss on disposal of fixed assets	77,510	-	
Capital grant income	(168,399)	(1,232,747)	
Investment income receivable	(4,639)	(13,968)	
Non-cash movement – Inherited fixed assets	-	(33,662,449)	
Non-cash movement – Inherited pension deficit	-	553,000	
Non-cash movement – Gifted fixed assets	-	(15,395)	
FRS17 pension costs less contributions payable (Note 10)	9,000	(21,000)	
FRS17 pension finance costs (Note 10)	28,000	31,000	
Increase in stock	(2,945)	(4,262)	
Decrease/(increase) in debtors	20,644	(230,849)	
(Decrease)/increase in creditors	(87,909)	664,104	
Net Cash Flow from Operating Activities	(45,533)	899,034	
b Reconciliation of Net Cash Flow to Movement in Funds			
Increase in cash in the period	38,953	554,214	
Other non-cash changes	-	-	
Change in Net Funds	38,953	554,214	
Net funds at 1 September	554,214	-	
Net Funds at 31 August	593,167	554,214	
c Analysis of Changes in Net Funds			
	1 September 2012 £	Cash flows £	31 August 2013 £
Cash in hand, at bank	554,214	38,953	593,167
Net Funds	554,214	38,953	593,167

The John Warner School

Financial statements for the year ended 31 August 2013

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 Statement of Recommended Practice ('SORP 2005') 'Accounting and Reporting by Charities', the Academies Accounts Direction 2013 issued by the Education Funding Agency and Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

Going Concern

After making appropriate enquiries, the Governors have a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Governors have adopted the going concern basis in preparing the financial statements.

Incoming Resources

All incoming resources are recognised when the Academy has established entitlement to the funds, certainty of receipt and the amount involved can be measured reliably.

Grants receivable for tuition and other wider educational activities, other operating income, rental income, and investment income are accounted for on an accruals basis. Income is recognised as receivable and excluding any relevant Value Added Tax when earned by the Academy.

Capital grants are recognised as voluntary income on a receivable basis to the extent there is entitlement.

General donations and other similar types of voluntary income are brought into account when received. Donated assets, donated services and gifts in kind are recognised in the statement of financial activities at their fair value to the Academy in the period in which they are receivable, and where the benefit to the Academy is both quantifiable and material. An equivalent amount to the benefit received, and recognised as income, is included as expenditure. For services provided to the Academy where the benefit received cannot be reliably quantified or measured, full disclosure of the arrangements and donated services is provided.

All sources of income given for specific purposes are treated as restricted income.

Interest receivable is included in the statement of financial activities on a receivable basis, and is stated inclusive of related tax credits.

Resources Expended

Expenditure is recognised in the period in which the rights and obligations that relate to goods received by or services performed for the Academy are materially fulfilled, with the relevant liability to pay the suppliers concerned being recognised as a liability. Resources expended are therefore generally recognised in the period in which they are incurred and include any elements of irrecoverable Value Added Tax.

The John Warner School

Financial statements for the year ended 31 August 2013

Accounting Policies

Resources expended are allocated to the Academy's principal activity, to the costs of generating funds or to governance costs, where the costs involved can be identified as being directly related to those categories. All other costs are categorised as support costs and are allocated in proportions based upon a suitable ratio applicable to the nature of the cost involved. Typically, the basis of allocation will be a reflection of the activity involved and will use measures such as staff time or headcount.

Governance costs are the costs associated with running the Academy as a charitable company, and in particular include professional fees including audit fees.

Taxation

The Academy is considered to pass the tests set out in paragraph 1 schedule 6 of the Finance Act 2010 and therefore meets the definition of a charitable company for United Kingdom corporation tax purposes. Accordingly, the Academy 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.

Tangible Fixed Assets

All tangible assets purchased that have a cost that exceeds £5,000 and an expected useful economic life that exceeds one year are capitalised and classified as fixed assets. Tangible fixed assets are stated at historical cost less depreciation. Depreciation is provided on all tangible fixed assets, other than freehold land and assets in the course of construction, at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Freehold buildings	over 15 to 54 years
Plant and machinery	over 4 to 20 years

Assets in the course of construction are included at cost. No depreciation will be charged on these assets until they have been completed and brought into use.

A review for potential impairment of fixed assets is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable or in instances when the remaining useful life is assessed to be in excess of 50 years. Impairment losses that may arise would be recognised in the statement of financial activities.

Stocks

Stocks are valued at the lower of cost and net realisable value.

Leased Assets & Obligations

All of the Academy's leases are "operating leases" and the annual rentals are charged to the statement of financial activities on a straight line basis over the lease term.

The John Warner School

Financial statements for the year ended 31 August 2013

Accounting Policies

Pension Benefits

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

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

Fund Accounting

The general fund comprises the accumulated surpluses of unrestricted incoming resources over resources expended, which are available for use in furtherance of the general objectives of the Academy.

Restricted funds are funds subject to specific conditions imposed by donors. The purpose and use of the restricted funds are set out in the notes to the financial statements. Amounts unspent at the year end are carried forward in the balance sheet.

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

The John Warner School

Financial statements for the year ended 31 August 2013

Accounting Policies

Agency Arrangements

The Academy acts as an agent in the administering of 16-19 Bursary Funds from the EFA. Related payments received from the EFA and subsequent disbursements to students are excluded from the statement of financial activities to the extent that the Academy does not have a beneficial interest in the individual transactions. The allowance of 5% as a contribution to administration costs is however recognised in statement of financial activities. Where funds have not been fully applied in the year then an amount will be included as amounts due to the EFA.

The John Warner School

Notes to the Financial Statements

for the year ended 31 August 2013

	Year ended 31 August 2013			Seventeen month period ended 31 August 2012
	Unrestricted Funds	Restricted Funds	Total 2013	
	£	General £	Fixed Assets £	£
1 Voluntary income				
Assets and liabilities inherited upon conversion				
Agreed cash settlements	-	-	-	208,101
Fixed assets inherited	-	-	-	33,662,449
Local government pension scheme deficit	-	-	-	(553,000)
	-	-	-	33,317,550
Other donation income	6,284	-	-	14,738
Capital grant income	-	168,399	-	1,232,747
	<u>6,284</u>	<u>168,399</u>	<u>-</u>	<u>34,565,035</u>
2 Activities for generating funds				
Sundry lettings and hire of facilities	<u>5,173</u>	<u>-</u>	<u>-</u>	<u>8,867</u>
3 Investment income				
Bank interest receivable on short term cash deposits	<u>4,639</u>	<u>-</u>	<u>-</u>	<u>13,968</u>

The John Warner School

Notes to the Financial Statements

for the year ended 31 August 2013

	Year ended 31 August 2013			Seventeen month period ended
	Unrestricted Funds	Restricted Funds	Total 2013	31 August 2012
	£	General £	Fixed Assets £	£
4 Funding for the Academy's educational operations				
DfE/EFA revenue grants				
General Annual Grant (GAG)	-	5,795,272	-	8,255,520
Start-up grant	-	-	-	25,000
Other DfE/EFA grants –				
Rates and insurance	-	72,362	-	112,168
Other	-	20,946	-	-
Pupil Premium	-	124,062	-	69,579
Other government grants				
Other Special Educational Needs	-	183,384	-	248,374
Graduate & teacher training	-	3,456	-	30,380
PE teacher release scheme	-	7,600	-	7,600
16-19 Bursary funds	544	-	-	5,959
Other school income				
Extended school income	-	745	-	102,747
Consortium income	-	6,801	-	22,710
Other educational income	459,113	-	-	620,299
	<u>459,657</u>	<u>6,214,628</u>	<u>-</u>	<u>9,500,336</u>

The John Warner School

Notes to the Financial Statements

for the year ended 31 August 2013

	Year ended 31 August 2013			Seventeen month period ended 31 August 2012
	Academy's educational operations	Governance costs	Total 2013	Restated
	£	£	£	£
5 Resources expended				
Direct costs				
Teaching and educational support staff costs	4,557,317	-	4,557,317	6,228,479
Staff recruitment, training and development	64,300	-	64,300	96,555
Technology costs	108,666	-	108,666	176,759
Educational supplies	438,638	-	438,638	632,984
Examination expenses	171,600	-	171,600	244,306
Other direct costs	298,226	-	298,226	429,219
	<u>5,638,747</u>	<u>-</u>	<u>5,638,747</u>	<u>7,808,302</u>
Support costs				
Staff costs	512,039	-	512,039	747,560
Maintenance of premises and equipment	187,152	-	187,152	248,332
Rates, insurance and utilities	208,609	-	208,609	234,693
Depreciation – owned assets	592,615	-	592,615	800,781
Auditor's remuneration				
Audit fees	-	15,275	15,275	9,932
Accountancy and advisory services	4,250	-	4,250	7,445
Operating lease rentals				
Plant and machinery	50,073	-	50,073	62,875
Legal and professional fees	-	47,273	47,273	94,221
Net finance expense on pension scheme assets and liabilities – see note 10	28,000	-	28,000	31,000
Loss on disposal of fixed assets	77,510	-	77,510	-
Other costs	6,181	466	6,647	12,246
	<u>1,666,429</u>	<u>63,014</u>	<u>1,729,443</u>	<u>2,249,085</u>
	<u>7,305,176</u>	<u>63,014</u>	<u>7,368,190</u>	<u>10,057,387</u>

The comparative figures have been restated to reclassify certain items of expenditure such that the analysis is consistent with the 2013 figures and in accordance with Academies Accounts Direction 2013

The John Warner School

Notes to the Financial Statements for the year ended 31 August 2013

5 Resources expended (Continued)

The John Warner Sports Centre is a joint venture with the Borough of Broxbourne governed by a dual-use agreement. This agreement allows the Sports Centre to operate for the benefit of the local community and for the Academy. The Academy provides the Sports Centre with an appropriate amount of funding to support its maintenance and running. In return the Borough of Broxbourne operates the Sports Centre and maintains it for the benefit of both the pupils of the school and the local community. It is not possible to quantify the financial implications of this arrangement but it is undoubtedly the case that both the school population and the local community benefit from the dual-use facility.

The Academy strives to analyse expenditure as direct costs when transactions are being processed, but thereafter, allocates support costs on the basis of estimated staff time involved and/or the nature of the cost.

Included within auditor's remuneration are amounts payable to Baker Tilly UK Audit LLP in respect of audit services of £15,275 (For 2011/2012, total audit fees of £16,400 were billed) and amounts payable to Baker Tilly Tax and Accounting Limited in respect of accountancy and advisory services of £4,250 (2011/2012 £7,445).

	Year ended 31 August 2013	Seventeen month period ended 31 August 2012
6 Staff costs	No	No
The average monthly number of persons employed by the Academy (excluding Governors) during the period, was as follows		
Teaching	81	80
Welfare	16	15
Premises	4	4
Support	11	11
	<u>112</u>	<u>110</u>

The John Warner School

Notes to the Financial Statements

for the year ended 31 August 2013

	Year ended 31 August 2013	Seventeen month period ended 31 August 2012
6 Staff costs (Continued)		
	£	£
Staff costs for the above persons		
Wages and salaries	4,154,537	5,806,901
Social security costs	341,958	447,463
Pension costs - defined benefit schemes		
Teachers' Pension Scheme	439,866	580,196
Local Government Pension Scheme	132,995	141,480
	<u>5,069,356</u>	<u>6,976,040</u>

	No	No
The number of employees whose emoluments for the period exceeded £60,000 fell within the following ranges		
£60,001 to £70,000	3	1
£70,001 to £80,000	1	4
£80,001 to £90,000	-	4
£90,001 to £100,000	1	-
£100,001 to £110,000	-	1
£120,001 to £130,000	-	1
£140,001 to £150,000	1	-
£170,001 to £180,000	-	1
	<u>-</u>	<u>1</u>

The Academy made contributions to the Teachers' Pension Scheme on behalf of all employees whose emoluments exceeded £60,000, and the total contributions payable during the period amounted to £71,327 (2012 £155,168) No other member of staff received total emoluments in excess of £60,000 during the current period

Governors' remuneration and expenses

In addition to being the Accounting Officer (and also a Governor), Mr D J Kennedy was the Headteacher In respect of his role as Headteacher, Mr D J Kennedy received emoluments for qualifying services during the year amounting to £147,137 (2012 during the seventeen month period following conversion amounting to £175,861), and in that same period, the Academy incurred pension costs of £20,746 (2012 £28,791) in respect of the pension benefits accruing to him under the Teachers' Pension Scheme

The John Warner School

Notes to the Financial Statements

for the year ended 31 August 2013

6 Staff costs (Continued)

In addition to being Governors, Ms M Jaggs, Ms E B McHugh and Ms L K Morbey were also members of staff. In respect of their role as members of staff, these Governors received aggregate emoluments for qualifying services during the year amounting to £112,489 (2012 during the seventeen month period following conversion amounting to £167,133), and in that same period, the Academy incurred aggregate pension costs of £11,675 (2012 £17,356) in respect of the pension benefits accruing to them under the Teachers' Pension Scheme and £6,115 (2012 £9,090) in respect of the pension benefits accruing to them under the Local Government Pension Scheme.

Other than as disclosed above, none of the Governors received any remuneration for services as a trustee of the charity or as a director of the company during the current or previous period. During the year, one (2011/2012 none) of the Governors received reimbursement for travel expenses incurred in relation to the Academy amounting to £466 (2011/2012 £Nil).

Governors' and officers' insurance

The Academy has taken out a combined insurance policy that includes

- building and contents insurance;
- business interruption insurance,
- employers, public and products liability insurance with indemnity to hirers extension,
- money with assault;
- personal accident,
- engineering,
- fidelity guarantee insurance, and
- professional indemnity insurance to cover the Academy (including trustees, Governors, Academy employees and the parent teachers association)

Professional indemnity cover is provided up to an aggregate limit of £2 million in the insurance year. The total premium paid by the Academy for the insurance package during the accounting period was £40,261 (2012 £65,214). In addition the Academy purchases vehicle insurance for its minibuses and annual travel insurance for educational visits at a total cost of £3,734 (2012 £2,541).

The John Warner School

Notes to the Financial Statements

for the year ended 31 August 2013

7 Tangible assets

	Freehold land and buildings £	Assets under construction £	Plant and machinery £	TOTAL £
Cost				
1 September 2012	33,453,000	1,591,535	224,844	35,269,379
Additions	-	88,552	-	88,552
Transfers	1,549,737	(1,650,675)	100,938	-
Disposals	(87,748)	-	-	(87,748)
31 August 2013	34,914,989	29,412	325,782	35,270,183
Depreciation				
1 September 2012	766,852	-	33,929	800,781
Charge in the year	560,434	-	32,181	592,615
Disposals	(10,238)	-	-	(10,238)
31 August 2013	1,317,048	-	66,110	1,383,158
Net book value				
31 August 2013	33,597,941	29,412	259,672	33,887,025
31 August 2012	32,686,148	1,591,535	190,915	34,468,598

The freehold land and buildings inherited by the academy upon conversion were valued at £33,453,000 on an existing value basis and a depreciated replacement cost basis by Lambert Smith Hampton

The cost of the above tangible assets was funded by £

Fixed assets inherited upon conversion	33,574,701
General Annual Grant	358,788
Capital grants	1,321,299
Unrestricted income	15,395
	<u>35,270,183</u>

The John Warner School

Notes to the Financial Statements

for the year ended 31 August 2013

	2013 £	2012 £
8 Debtors		
Trade debtors	40,165	16,936
Other debtors	17,813	105,640
Prepayments and accrued income	152,227	108,273
	<u>210,205</u>	<u>230,849</u>
9 Creditors: Amounts falling due within one year		
Trade creditors	131,325	211,220
Other tax and social security costs	105,785	103,923
Pension contributions creditor	77,168	72,107
Other creditors	17,719	6,581
Accruals	98,245	153,986
Deferred income	145,953	116,287
	<u>576,195</u>	<u>664,104</u>
Deferred income reconciliation		
Deferred income brought forward at 1 September	116,287	-
Income released to the statement of financial activities	(116,287)	-
Income received in advance	145,953	116,287
	<u>145,953</u>	<u>116,287</u>

10 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2004 and of the LGPS 31 March 2010.

The John Warner School

Notes to the Financial Statements

for the year ended 31 August 2013

10 Pension and similar obligations (Continued)

Teachers' Pension Scheme

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

Valuation of the Teachers' Pensions Scheme

Not less than every four years the Government Actuary ("GA"), using normal actuarial principles, conducts a formal actuarial review of the TPS. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. Many of these are being discussed in the context of the design for a reformed TPS, as set out in the Proposed Final Agreement, and scheme valuations are, therefore, currently suspended.

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

The John Warner School

Notes to the Financial Statements

for the year ended 31 August 2013

10 Pension and similar obligations (Continued)

Employer and employee contribution rates

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

From 1 April 2012 to 31 March 2013, the employee contribution rate will range between 6.4% and 8.8%, depending on a member's Full Time Equivalent salary. Further changes to the employee contribution rate will be applied in 2013/2014 and 2014/2015.

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.

The pension costs paid to TPS in the year amounted to £439,866 (2011/2012: £580,196).

Under the definitions set out in Financial Standards (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 the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined-contribution scheme. The Academy has set out above the information available on the scheme and the implications for the Academy in terms of the anticipated rates.

Local Government Pension Scheme

The Academy is, however, able to identify its share of the underlying assets and liabilities of the Hertfordshire Local Government Pension Scheme, and therefore, the accounting principles relevant to defined benefit pension schemes are applicable. The amount charged to the statement of financial activities in respect of pension costs and other post-retirement benefits is the estimated regular cost of providing the benefits accrued in the accounting period, adjusted to reflect variations from that cost. The interest cost and expected return on the underlying assets and liabilities of the pension scheme are treated as a net finance income or expense for the period.

Full actuarial valuations, carried out by a professionally qualified actuary, are obtained at least every three years, and updated to reflect current conditions at each balance sheet date. The underlying assets of the pension scheme are measured at fair value, and the underlying liabilities are measured using the projected unit method and discounted at the current rate of return on high quality corporate bond of equivalent term and currency.

The John Warner School

Notes to the Financial Statements

for the year ended 31 August 2013

10 Pension and similar obligations (Continued)

A pension scheme asset is recognised on the balance sheet only to the extent that the surplus may be recovered by a reduction in future contributions or to the extent that the trustees of the pension scheme have agreed a refund from the pension scheme at the balance sheet date. A pension scheme liability is recognised to the extent that the Academy has a legal or constructive obligation to settle that liability. The effect of actuarial gains and losses on the Academy's pension scheme asset or liability is therefore reflected annually in the balance sheet and through the statement of financial activities.

The latest actuarial valuation dated 31 March 2010 has been updated to take account of the requirements of Financial Reporting Standard 17 Retirement Benefits in order to assess the liabilities of the scheme as at 31 August 2013. Scheme assets are stated at their fair value.

The employer contribution rate has been set at 20.6% of pensionable salary inclusive of the necessary extra contributions required to deal with the current deficit position. An equivalent employee contribution rate has been set which is variable by salary and by employee at between 5.5% and 7.5% of pensionable salary. On that basis, the anticipated employer payments required to be made to the scheme in the coming year amount to £119,000.

The major assumptions used by the actuary were:

	2013	2012
Rate of increase in salaries	5.1%	4.5%
Rate of increase in pensions in payment	2.8%	2.2%
Discount rate	4.6%	4.1%
Inflation assumption - CPI	2.5%	2.2%

The current mortality assumptions include sufficient allowance for improvements in mortality rates in the future. The assumed life expectations on retirement at 65 are:

	2013	2012
Retiring today –		
Males	21.0 years	21.0 years
Females	23.8 years	23.8 years
Retiring in 20 years –		
Males	22.9 years	22.9 years
Females	25.7 years	25.7 years

The John Warner School

Notes to the Financial Statements for the year ended 31 August 2013

10 Pension and similar obligations (Continued)

The assets in the scheme and the expected rate of return were

	Expected return on total assets at 31 August 2013	Value at 31 August 2013 £'000	%	Expected return on total assets at 31 August 2012	Value at 31 August 2012 £'000	%
Equities	6.6%	767	(74%)	5.6%	524	(69%)
Bonds	3.9%	186	(18%)	3.4%	144	(19%)
Property	4.7%	52	(5%)	3.7%	46	(6%)
Cash	3.6%	31	(3%)	2.8%	46	(6%)
Total market value of assets		1,036			760	
Present value of scheme liabilities		(1,890)			(1,604)	
Deficit in the scheme		(854)			(844)	

2013
£'000

2012
£'000

Analysis of the amount charged to the statement of
financial activities -

As staff costs		
Current service cost	130	141
Past service cost	-	-
Total operating charge	130	141
As finance expense		
Expected return on assets	(41)	(61)
Interest on liabilities	69	92
Net finance expense	28	31
Total pension costs	158	172

The net actuarial losses for the current period are recognised in the statement of financial activities

The John Warner School

Notes to the Financial Statements

for the year ended 31 August 2013

10 Pension and similar obligations (Continued)

	2013 £'000	2012 £'000
Movements in the present value of defined benefit obligations were as follows		
Opening defined benefit obligations	1,604	-
Upon conversion to academy status	-	1,073
Employee' contributions	37	49
Current service cost	130	141
Interest cost	69	92
Actuarial losses	50	249
Benefits paid	-	-
Closing defined benefit obligations	<u>1,890</u>	<u>1,604</u>
Movements in the fair value of Academy's share of scheme assets		
Opening fair value of assets	760	-
Upon conversion to academy status	-	520
Employer contributions	121	162
Employee contributions	37	49
Expected return on assets	41	61
Actuarial gains/(losses)	77	(32)
Benefits paid	-	-
Closing fair value of assets	<u>1,036</u>	<u>760</u>
The actual return on plan assets was £117,000 (2011/2012 £29,000)		
Experience adjustments are as follows		
Amounts for the period		
Plan assets at fair value	1,036	760
Defined benefit obligation	(1,890)	(1,604)
Deficit	<u>(854)</u>	<u>(844)</u>
Experience adjustments on share of scheme assets	<u>77</u>	<u>(32)</u>
Experience adjustments on scheme liabilities	<u>50</u>	<u>249</u>

The John Warner School **Notes to the Financial Statements** **for the year ended 31 August 2013**

11 The funds of the Academy

	1 September 2012 £	Incoming resources £	Outgoing resources £	Actuarial gains £	Transfers between funds £	31 August 2013 £
Restricted fixed assets funds:						
Inherited fixed assets fund	32,862,956	-	(635,272)	-	-	32,227,684
General Annual Grant fixed assets fund	358,788	-	(7,176)	-	-	351,612
Capital grants fixed assets fund	1,232,747	-	(26,327)	-	88,552	1,294,972
	<u>34,454,491</u>	<u>-</u>	<u>(668,775)</u>	<u>-</u>	<u>88,552</u>	<u>33,874,268</u>
Restricted general funds:						
General Annual Grant fund	-	5,795,272	(6,083,993)	-	288,721	-
LGPS deficit fund	(844,000)	-	(37,000)	27,000	-	(854,000)
Capital grants fund	-	168,399	-	-	(88,552)	79,847
Rates and Insurance fund	25,044	72,362	(70,001)	-	-	27,405
Other DfE/EFA grants fund	-	20,946	(20,946)	-	-	-
Special Educational Needs fund	-	307,446	(318,070)	-	10,624	-
Graduate & Teacher Training fund	-	3,456	(3,456)	-	-	-
PE teacher release scheme fund	-	7,600	(9,433)	-	1,833	-
Extended Schools fund	-	745	(413)	-	-	332
Consortium fund	-	6,801	(1,684)	-	-	5,117
	<u>(818,956)</u>	<u>6,383,027</u>	<u>(6,544,996)</u>	<u>27,000</u>	<u>212,626</u>	<u>(741,299)</u>

The John Warner School

Notes to the Financial Statements

for the period ended 31 August 2012

11 The funds of the Academy (Continued)

	1 September 2012 £	Incoming resources £	Outgoing resources £	Actuarial gains £	Transfers between funds £	31 August 2013 £
Unrestricted income funds:						
General fund	114,284	475,753	(154,419)	-	(301,178)	134,440
	<u>33,749,819</u>	<u>6,858,780</u>	<u>(7,368,190)</u>	<u>27,000</u>	<u>-</u>	<u>33,267,409</u>

The Inherited fixed assets fund was set up to recognise the tangible assets gifted to the Academy upon conversion which represent the Academy site including the freehold land and buildings and all material items of plant and machinery included therein. Depreciation charged on those inherited assets is allocated to the fund

The General Annual Grant fixed assets fund was set up to recognise the tangible assets purchased by the Academy following conversion that have been funded from the General Annual Grant. This fund has been created by a transfer from the General Annual Grant fund of an amount equivalent to the cost of the tangible assets involved. Depreciation charged on those tangible assets is allocated to the fund

The Capital grants fixed assets fund was set up to recognise the tangible assets purchased by the Academy following conversion that have been funded by capital grants received by the Academy. This fund has been created by a transfer from the Capital grants fund of an amount equivalent to the cost of the tangible assets involved. Depreciation charged on those tangible assets is allocated to the fund

The John Warner School

Notes to the Financial Statements

for the year ended 31 August 2013

11. The funds of the Academy (Continued)

The General Annual Grant (GAG) represents the core funding for the educational activities of the Academy that has been provided to the Academy via the Education Funding Agency by the Department for Education. The General Annual Grant Fund has been set up because the GAG must be used for the normal running costs of the Academy. Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the GAG that it could carry forward at 31 August 2013.

The LGPS deficit fund has been created to separately identify the pension deficit inherited from the local authority upon conversion to academy status, and through which all the pension scheme movements are recognised.

The Capital grants fund has been created to recognise the restricted grant funding received from all sources towards capital expenditure projects undertaken throughout the Academy. Transfers are made to the Capital grants fixed asset fund for expenditure incurred that is in respect of tangible fixed assets.

The Rates and Insurance fund has been created to recognise the restricted funding received from the Department for Education to cover the cost to the Academy of rates and insurance.

The Other DfE/EFA grants fund has been created to recognise restricted funding received from various sources to cover specific costs being incurred by the Academy. The relevant restricted expenditure is then also recorded through this fund.

The Special Educational Needs fund has been created to recognise all restricted income from various sources that is intended to be used to partially fund the additional costs incurred by the Academy in meeting the additional educational needs of some of its pupils. The relevant restricted expenditure is then also recorded through this fund with any overspend being covered by a transfer from the General Annual Grant fund.

The Graduate & Teacher Training fund has been created to recognise funding received to support the salary costs of Graduate Teacher Programme individuals employed by the Academy. The relevant restricted expenditure is then also recorded through this fund.

The PE teacher release scheme fund has been created to recognise restricted funding received by way of compensation to the Academy for allowing a PE teacher to spend part of his or her time working with local infant and primary schools. This funding is ring-fenced and covers the salary costs of those relevant PE teachers.

The Extended Schools fund has been created to recognise funding received from the Local Authority to support the provision of extended schools activities across 18 consortium schools. The relevant restricted expenditure is then also recorded through this fund with any overspend being covered by a transfer from the General Annual Grant fund.

The John Warner School

Notes to the Financial Statements for the year ended 31 August 2013

11 The funds of the Academy (Continued)

The Consortium fund has been created to recognise funding received from consortium schools and the Strategic Area Partnership Group (SAPG) to support the provision of a cross consortium curriculum. The relevant restricted expenditure is then also recorded through this fund with any overspend being covered by a transfer from the General Annual Grant fund.

12 Analysis of net assets between funds

	Tangible assets £	Net current assets £	Pension scheme liability £	Total £
Restricted fixed assets funds:				
Inherited fixed assets fund	32,227,684	-	-	32,227,684
General Annual Grant fixed assets fund	351,612	-	-	351,612
Capital grants fixed assets fund	1,294,972	-	-	1,294,972
Restricted general funds:				
LGPS deficit fund	-	-	(854,000)	(854,000)
Capital grants fund	-	79,847	-	79,847
Rates and Insurance fund	-	27,405	-	27,405
Extended Schools fund	-	332	-	332
Consortium fund	-	5,117	-	5,117
Unrestricted income funds:				
General fund	12,757	121,683	-	134,440
Net assets	33,887,025	234,384	(854,000)	33,267,409

13. Members' liability

John Warner School is an exempt charity and a company limited by guarantee, not having share capital. Each of the four members undertakes to contribute an amount not exceeding £10 to the assets of the Academy in the event of the Academy being wound up during the period of membership, or within one year thereafter.

14 Capital commitments

At the balance sheet date, the Academy had capital commitments of £659,660 in respect of the new engineering building (31 August 2012: £78,000 in respect of the new modern foreign language and art building).

The John Warner School

Notes to the Financial Statements for the year ended 31 August 2013

15 Commitments under operating leases

	2013 £	2012 £
At 31 August, the Academy was committed to make the following payments during the next year under non-cancellable operating leases as follows:		
In respect of plant and machinery leases -		
expiring within one year	9,565	9,565
expiring within two to five years	10,588	10,588

16 Related Party Transactions

Owing to the nature of the Academy's operations and the composition of the Board of Governors being drawn from local public and private sector organisations, it is considered inevitable that transactions will take place with organisations in which a Governor may have an interest. All transactions involving such organisations would, of course, be conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

No such transactions have been identified for the period ended 31 August 2013 (2011/2012: None).

17. Agency Arrangements

The Academy administers the disbursement of the new discretionary support for learners, 16-19 Bursary Funds, on behalf of the EFA. In the year, it recognised £18,040 of funding and disbursed £7,079, with therefore an amount of £10,961 remaining unspent at the 31 August 2013 which is included in other creditors. The Academy retained a beneficial interest in individual transactions such that £544 has been recognised as income in the statement of financial activities.