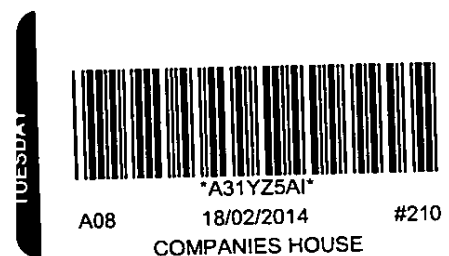


VYNERS SCHOOL ACADEMY TRUST
(A Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013



Company Limited by Guarantee
Registration Number:
07796938 (England and Wales)

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VYNERS SCHOOL ACADEMY TRUST

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS
AND ADVISERS**

Governors (Directors)

W Henry Gardner (Chair)
James Heale (Headteacher)
Michelina Becker
Harjit Chaggar
Lyn Crouchman
Jane Culley
Heather Danpure
Jeremy Day
David Dent
Mark Hague (from 26 October 2012)
Jillian Hayward
Amanda Hickey (until 25 October 2012)
James Hockin
John Hooker
Samantha Kendall
Maggie Lord (until 20 November 2012)
Steve Pollock (until 31 July 2013)
David Trood

Secretary

Janet Beater

Deputy Headteacher

Margaret Hutchinson
Gary Mullings (from 1 June 2013)

Registered Office

Vyners School Academy Trust
Warren Road
Ickenham
Uxbridge
Middlesex UB10 8AB

Company Registration Number

07796938

Statutory Auditor

Wilkins Kennedy LLP
Statutory Auditor
Chartered Accountants
Greytown House
221-227 High Street
Orpington
Kent BR6 0NZ

Bankers

Lloyds TSB
21-22 High Street
Uxbridge
Middlesex UB8 1JD

Solicitors

Browne Jacobson LLP
44 Castle Gate
Nottingham NG1 7BJ

VYNERS SCHOOL ACADEMY TRUST

GOVERNORS' REPORT 31 AUGUST 2013

The Governors present their report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2013

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee with no share capital (registration no 7796938) and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy. The Governors act as the Trustees for the charitable activities of Vyners School Academy Trust and are also Directors of the charitable company for the purposes of company law. The charitable company is known as Vyners School Academy Trust. Details of the Governors who served throughout the year, except as noted, are included in the Reference and Administrative Details on page 1.

Vyners School Academy Trust was incorporated on 4 October 2011 and obtained Academy status from 1 November 2011.

Members' liability

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

Principal Activities

The principal activity of the Academy is to advance for the public benefit education in the United Kingdom, in particular, but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

Method of Recruitment and Appointment or Election of Governors

The members of the Academy Trust shall comprise no less than 5 persons, the Chair of Governors, the Vice Chair of Governors, the Headteacher, two persons appointed by the Governors, 1 person appointed by the Secretary of State, in the event that the Secretary of State appoints a person for this purpose, and any person appointed under Article 16 of the Memorandum of Association.

The number of Governors shall be not less than 3, but shall not be subject to a maximum. The first Governors were those named in the initial Memorandum. The Academy Trust shall have the following Governors, 6 Parent Governors, up to 2 Staff Governors, up to 5 Community Governors, up to 4 Partnership Governors, up to 1 Governor appointed by the members under Article 50 and any Governors appointed by the Secretary of State under articles 62, 62A, 63 or 68A.

The Governors may also appoint up to 3 co-opted Governors, with the proviso that an employee of the Academy Trust may not be co-opted if the number of Governors employed by the Trust (including the Headteacher) would exceed one third of the total number of Governors.

With the exception of Parent Governors, each of the persons entitled to appoint members above shall have the right to remove any member appointed by them and to appoint a replacement member to fill a vacancy whether resulting from such removal or otherwise.

The term of office for any Governor shall be 4 years, save that this time limit shall not apply to the Headteacher. Subject to remaining eligible to be a particular type of Governor, and Governor may be re-appointed or re-elected.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Policies and Procedures Adopted for the Induction and Training of Governors

During the period under review the Governors held 6 ordinary meetings and 1 special meeting. The training and induction provided for new Governors will depend on their existing experience. All new Governors will be given a tour of the Academy and the chance to meet with staff and students. All relevant Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. As there are normally only two or three new Governors a period, induction tends to be done informally and is tailored specifically to the individual. The chair of a committee will normally act as mentor to a new governor appointed to that committee. Governors are circulated with details of training courses being organised by the local authority and the academy can buy in to this training on a course by course basis.

Organisational Structure

The structure consists of three levels: the Governors, Senior Leadership Team and Subject Leaders and Heads of Year. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of budgets and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

The Senior Leadership Team are the Headteacher, Deputy Headteacher, Assistant Headteachers, Associate Assistant Headteacher, Business Manager and Inclusion Manager. These leaders control the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them. As a group, the Senior Leadership Team are responsible for the authorisation of spending within agreed budgets and the appointment of staff. Interview panels for senior leader posts will contain a Governor(s). Some spending control is devolved to Heads of Departments/Years, with limits above which a Senior Leader must countersign.

Risk management

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The Governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. The Governors are introducing systems, including operational procedures, internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement on page 10.

OBJECTIVES AND ACTIVITIES

Objects and Aims (as set out in the governing document)

Vyners School Academy Trust is a mixed 11-18 comprehensive school with a strong community ethos. The school has a small specialist resource provision for hearing impaired students.

OBJECTIVES AND ACTIVITIES (continued)

Objectives, Strategies and Activities

The principal object of the Academy is specifically restricted to the following,

- to advance 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
- To promote, for the benefit of individuals living in Ickenham, Uxbridge and the surrounding area who have need by reason of their age, infirmity or disability, financial hardship or social and economic circumstances, or for the public at large the provision of facilities for recreation or other leisure time activities in the interests of social welfare and with the object of improving the life of said individuals

The main objectives of the Academy during the period ended 31 August 2013 are summarised below

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care,
- to raise the standard of educational achievement of all pupils, particularly in GCSE English and the overall % of A*/A grades achieved at GCSE,
- to increase the % of students making three levels of progress between KS2 and KS4,
- to increase the number of students taking a foreign language at GCSE,
- to increase the number of curriculum pathways from Year 11 into Year 12,
- to increase the number of students in the 6th form, both by retaining existing students Yr11 into 12 and Yr12 into 13 and by attracting new students,
- to increase the percentage of A*-B grades at A level,
- to improve the assessment to support learning with respect to homework,
- to improve student behaviour, in particular, low level disruption both in and out of lessons,
- to improve the effectiveness of the Academy by developing the use of data and by keeping the curriculum and organisational structure under continual review,
- to continue to provide value for money for the funds expended, through effective procurement and contract consolidation,
- to comply with all appropriate statutory and curriculum requirements,
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness

Strategies and activities

The school's values are as follows

- Community – contributing to our school and the wider community
- Aspiration – aiming to be the very best that we can be
- Respect – respecting ourselves, others and the school environment
- Endeavour – trying our best, even when learning is difficult

Students will be happy and healthy, enthused by the intellectual, social and physical challenges posed by their experience at school. They will be independent learners, aware of how to learn and of the role of emotions and dispositions in the learning process, which they draw on to address challenge and difficulty, as well as success.

All staff will have the opportunity to develop further as self-directed, reflective learners, through working collaboratively with others to enhance their own expertise. Through their passion, teachers will enthuse and inspire others to explore new ideas.

Governors will contribute to the life of the school on a wider scale, acting as critical friends to support the school in its aim to become an 'Outstanding' school.

GOVERNORS' REPORT 31 AUGUST 2013 (continued)

Equal opportunities policy

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

Disabled persons

The Academy aims to meet the needs of disabled students within the limitations of the fabric of the school buildings.

PUBLIC BENEFIT

The Governors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the charity's aim and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. Students are admitted into the school in line with the published admissions criteria, a copy of which is available on the School website. The school has places for 180 students in each of Years 7-11. Students may be admitted to the Hearing Impaired Resource Base over and above this number.

ACHIEVEMENTS AND PERFORMANCE

The Academy is in its second period of operation and continues to achieve the forecast numbers of students. At the date of the May 2013 census, total students numbered 1079.

In summer 2013 the academy gained the following set of results in public examinations,

GCSE results

| | Achieving 5+A* - C passes Incl English & Maths | Achieving 5+ A* - C passes (any subject) | Achieving 5+ A* - G passes | % A* and A Grades |
|--------------------------|---|---|---------------------------------------|--------------------------|
| % of students | 74% | 93% | 99% | 33% |

Performance at the A*/A grade has remained stable with 33% of all grades in 2013 achieved at this level. 87% of all grades were A*-C and fourteen departments achieved an A*-C grade pass rate in excess of 80%. 37% students achieved English Baccalaureate, a 13% increase in 3 years.

The pass rate for Achieving 5+A* - C passes (inc English & Maths) showed a pleasing increase of 6% on 2012, and an 11% increase over 3 years. The number of A* grades showed a 4% increase on the previous year. The GCSE capped average points score increased from 331.6 to 367.5.

The Mathematics results remained strong in 2013, with the percentage of students achieving an A*-C grade remaining above 80%. The English Department significantly improved their results on the previous year, with 79% of students achieving an A*-C grade at GCSE.

The school was also pleased that our Science results at KS4 ran counter to the national trend in 2013 (where the trend was slightly downwards on the previous year). The school continues to work towards its objective of increasing participation in MFL courses and improving student progress.

ACHIEVEMENTS AND PERFORMANCE (continued)

Aims for the 2013/14 academic year in KS4 are as follows

- To further increase the percentage of students achieving 5+ GCSE passes at grades A*-C (including English and Maths)
- To further increase the percentage of students making three and four levels of progress, KS2-4
- To improve the progress of key groups of students, particularly those eligible for Free school meals
- To continue to close the gap between the level of attainment of boys and girls, particularly in GCSE English
- To further 'stretch and challenge' our high ability students, thus improving their level of overall attainment
- To increase the level of active student response to assessment and decrease levels of 'passive learning' within classrooms

AS/A Level

Whilst the overall numbers in the 6th form were lower in 2013 than 2012, both AS and A level results were improved on 2012. Investment in 6th form facilities during 2012/13 resulted in the school retaining and attracting a greater number of Year 12 students in September 2013.

Vyners students achieved an overall pass rate of 88% at AS level (up from 79%), with 58% of all grades at Grades A*-C (up from 48% in the previous year). The percentage of A*-B grades achieved was 57% in 2013, an increase of 3% on the previous year.

A level results remained strong, with an overall pass rate of 99%. An impressive 34% of students achieved an A*/A grade, continuing the three year upwards trend. The average points score per student (784.1) was also improved on both the two previous years. The % of A*-C grades increased by 4% to 83%. Many A2 students went onto their first choice of higher / further education provision.

Aims for the 2013/14 academic year in KS5 are as follows

- To further increase the percentage of A*-B grades at A level
- To consolidate the increased retention rate from Yr11 into 12 and Yr12 into 13, and to attract more external students into the 6th form

Overall performance

The school developed a new Rewards and Consequences Policy during 2012/3, aimed at addressing low level disruption (both in and out of lessons) and improving the recognition for those many students who consistently behave well.

The Academy was last inspected by Ofsted in March 2012, gaining an overall rating of 'satisfactory'.

GOING CONCERN

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

KEY PERFORMANCE INDICATORS

The key performance indicators reviewed by the Governors in Finance & Facilities committee meetings include income from the Department for Education (determined broadly by reference to the number of pupils on roll), income from lettings, expenditure on staff, site management and curriculum supplies. The level of capital expenditure, expenditure on ICT and maintenance of facilities is closely monitored. These items are all reported in the financial statements.

The quality of teaching within the school is regularly monitored through performance management processes, a schedule of formal lesson observations and informal 'learning snapshots'. Student attainment and progress in all year groups is monitored through regular progress checks and setting of ambitious target grades / levels for all students in all subjects. The latter is done in Years 9-11 by reference to Fisher Family Trust 'D' criteria.

FINANCIAL REVIEW

Financial report for the year

Most of the Academy's income is obtained from the Education Funding Agency (EFA) in the form of recurrent grants, some of which are restricted to particular purposes. The grants received from the EFA during the year ended 31 August 2013 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the EFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2013, total expenditure of £6,490k (2012 £5,289k) was met by recurrent grant funding from the EFA together with other incoming resources. The excess of income over expenditure for the year (excluding restricted fixed asset funds and transfers to restricted fixed asset funds) was £285k (2012 £627k).

At 31 August 2013 the net book value of fixed assets was £11,735k (2012 £11,827k). Movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The London Borough of Hillingdon Pension Fund, in which the Academy participates, showed a deficit of £738k at 31 August 2013 (2012 £749k). Of this sum, £641k was inherited by Vyners School Academy Trust from the London Borough of Hillingdon on 1 November 2011, the date the staff transferred to employment with the Academy.

The Statement of Financial Activities includes the assets and liabilities from the predecessor school, details of these can be found in Note 2 on page 26.

Financial and Risk Management Objectives and Policies

The financial risks which Vyners School Academy Trust is exposed to relate primarily to

- Change in government and legislation
- Potential of reduced funding and cash flow
- Reduction in student numbers

A risk arises in relation to the defined benefit pension scheme, due to the fact that there is a deficit of £738k (2012 £749k).

Principal Risks and Uncertainties

The principal risks and uncertainties that Vyners School Academy Trust faces are mitigated by the risk management process that the Academy Trust has in place

Reserve policy and financial review

Reserves policy

The Governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors have determined that the appropriate level of free reserves should be equivalent to four weeks' expenditure, approximately £540k (2012 £510k).

The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Academy's current level of free reserves of £1,210k (2012 £1,084k) (total funds less the amount held in fixed assets and restricted funds). The Governors expect the excess of general unrestricted funds to reduce in the coming years.

Investment policy

Under the Memorandum and Articles of Association, the Academy has the power to invest funds not immediately required for its own purposes, in any way the Governors see fit. The organisation has a positive cash balance to cover eventualities and unforeseen expenses. The banking facilities are reviewed on a regular basis.

Financial position

The Academy held fund balances at 31 August 2013 of £12,370k (2012 £12,308k) comprising £11,160k (2012 £11,224k) of restricted funds and £1,210k (2012 £1,084k) of unrestricted general funds. Of the restricted funds, £11,735k (2012 £11,827k) is represented by tangible fixed assets.

The pension reserve which is considered part of restricted funds was £738k (2012 £749k) in deficit.

PLANS FOR FUTURE YEARS

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

The school has a good understanding of its strengths and areas for development based on analysis of data and monitoring of teaching and learning. Strategies have been put in place to specifically address the areas for improvement identified in the last Ofsted report. The school also makes good use of external validation to secure its judgement on the quality of provision and subsequent outcomes. In particular, it has increased its level of collaboration with schools already rating as 'outstanding' in order to learn from the best practice developed there. The School Development Plan has areas identified for improvement and is based on regular analysis of data reviewed by the Headteacher and the senior leadership team. The SDP is regularly monitored by SLT and reviewed regularly by Governors.

School improvement strategies are highly effective because subjects areas identified as previously underperforming have been successfully addressed through a combination of rigorous monitoring, CPD and thorough analysis of examination results. The school makes good provision for personalised learning, support and intervention programmes for individual students and is particularly targeting its support to vulnerable students and those in receipt of pupil premium funding.

VYNERS SCHOOL ACADEMY TRUST

GOVERNORS' REPORT 31 AUGUST 2013 (continued)

Information provided to auditors

The Governors confirm that so far as they are aware, there is no relevant audit information of which the charitable company's auditors are unaware. They have taken all the steps that they ought to have taken as Governors in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, Wilkins Kennedy LLP, are willing to continue in office and a resolution to appoint them will be proposed at the Annual General Meeting.

The report of the Governors was approved by the Governors on 9/12/13 and signed on their behalf by



W H Gardner
Chair

VYNERS SCHOOL ACADEMY TRUST

GOVERNANCE STATEMENT 31 AUGUST 2013

Scope of Responsibility

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

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

Governance

The information on governance included here supplements that described in the Governors' Report and in Statement of Governors' Responsibilities. The Governing Body has formally met 7 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

| Governor | Meetings Attended | Out of a possible |
|-----------------|--------------------------|--------------------------|
| M Becker | 5 | 7 |
| H Chaggar | 6 | 7 |
| L Crouchman | 4 | 7 |
| J Culley | 7 | 7 |
| H Danpure | 6 | 7 |
| J Day | 6 | 7 |
| D Dent | 6 | 7 |
| H Gardner | 7 | 7 |
| M Hague | 5 | 5 |
| J Hayward | 5 | 7 |
| J Heale | 7 | 7 |
| J Hockin | 6 | 7 |
| J Hooker | 6 | 7 |
| S Kendall | 6 | 7 |
| D Trood | 7 | 7 |

The Finance Committee is a sub-committee of the main Governing Body. Its purpose is to deal with all financial matters, referring matters to the Full Governing Body for consideration as appropriate. Attendance at meetings during the reporting year was as follows:

| Governor | Meetings Attended | Out of a possible |
|-----------------|--------------------------|--------------------------|
| H Chaggar | 4 | 5 |
| J Culley | 5 | 5 |
| D Dent | 5 | 5 |
| H Gardner | 4 | 5 |
| M Hague | 4 | 4 |
| J Heale | 4 | 5 |
| J Hooker | 5 | 5 |

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives, it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised and to manage them efficiently, effectively and economically. The system of internal control has been in place in Vyners School Academy Trust for the year ended 31 August 2013 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

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

The Risk and Control Framework

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

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

The Governing body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed David Trood, a governor, as responsible Officer (RO). The RO's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. The RO will be providing on a termly basis, the RO reports to the Governing body on the operation of the systems of control and on the discharge of the governing Body's financial responsibilities.

During the year all planned work was carried out and no significant issues were found.

Review of Effectiveness

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

- the work of the Responsible Officer,
- the work of the external auditor,
- the financial management and governance self assessment process,
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the Governing Body on 9/12/13 and signed on its behalf by



W H Gardner
Chair



J M Heale
Accounting Officer

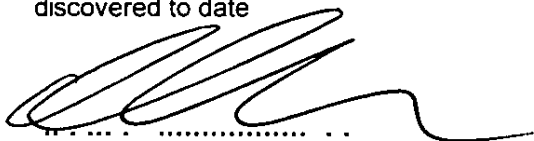
VYNERS SCHOOL ACADEMY TRUST

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE 31 AUGUST 2013

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

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

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



J M Heale
Accounting Officer

STATEMENT OF GOVERNORS' RESPONSIBILITIES 31 AUGUST 2013

The Governors (who act as Trustees for charitable activities of Vyners School Academy Trust and are also the Directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Annual Accounts Requirements issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations

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

- select suitable accounting policies and they 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 charitable company will continue in business

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

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

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

Approved by order of the members of the Governing Body on 9/12/13 and signed on its behalf by -



W H Gardner
Chair

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VYNERS SCHOOL ACADEMY TRUST

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

This report is made solely to the 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its 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 Governors' Responsibilities Statement (set out on page 14), the Governors (who 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

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

Opinion on Financial Statements

In our opinion, the financial statements -

- give a true and fair view of the state of the 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 Academies Accounts Direction 2013 issued by the EFA
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on Other Matter Prescribed by the Companies Act 2006

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF VYNERS SCHOOL ACADEMY TRUST
(continued)**

Matters on which we are Required to Report by Exception

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

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

Wilkins Kennedy LLP

Michelle Wilkes (Senior Statutory Auditor)

For and on behalf of Wilkins Kennedy LLP, Statutory Auditor

Greytown House

221-227 High Street

Orpington

Kent BR6 0NZ

Date

16/12/13

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

In accordance with the terms of our engagement letter dated 24 July 2012 and further to the requirements of the Education Funding Agency (EFA), as included in the Academies Accounts Direction 2013, we have carried out an engagement to obtain limited assurance about whether, in all material respects, the expenditure disbursed and income received by the Academy Trust during the year to 31 August 2013 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them

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

Respective responsibilities of the Academy's Accounting Officer and Auditors

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

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

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

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

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

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

As a firm we have taken the decision to use the Mercia work programme for regularity audit as approved by the ICAEW. The work undertaken to draw to our conclusion includes

- Identification and assessment of the design and operational effectiveness of controls in place
- Assessment and review of the policies and procedures in place and implementation thereof
- Assessment that the policies and procedures have been implemented
- Considered the activity represented by the expenditure and considered whether any may represent a breach of terms included within the funding agreement and the academy's charitable objects

INDEPENDENT AUDITOR'S REPORT ON REGULARITY TO THE GOVERNING BODY OF VYNERS SCHOOL ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY (continued)

Approach (continued)

- Confirmed that the results of procedures throughout the audit did not provide any evidence that related party transactions and controlling party, if any, is incomplete
- Considered whether the movements, including the level of disposals, and depreciation of fixed assets appear reasonable in view of our knowledge of the academy, its funding and consent received for disposals
- Verified a sample of grants receivable to grant documentation, especially noting any restrictions as to timing or other recognition of the income, and any claw back clauses
- Considered whether income appeared to be derived from activities outside of the academy's charitable objects and wider framework of authorities
- Ensured that bank accounts are operated within the terms of the governing document, delegated powers, and the bank mandates
- Considered the systems in place to ensure compliance with terms of funding and other relevant authorities (eg terms of the Academies Financial Handbook or terms relevant to non-core funding streams)
- Ensured that the overall level of retained funds is acceptable in view of the academy's needs and plans, and that the accumulated funds are justifiable and permissible under the terms of funding

Conclusion

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

Wilkins Kennedy LLP

Michelle Wilkes (Senior Statutory Auditor)

For and on behalf of Wilkins Kennedy LLP, Statutory Auditor

Greytown House

221-227 High Street

Orpington

Kent BR6 0NZ

Date:

16/12/13

VYNERS SCHOOL ACADEMY TRUST
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2013 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

| | | Unrestricted Funds | Restricted General Funds | Restricted Fixed Asset Funds | Total 2013 | 10 months to 31 August 2012 |
|---|-------------|-------------------------------|---|---|-----------------------|--|
| | Note | £000 | £000 | £000 | £000 | £000 |
| Incoming resources | | | | | | |
| <i>Incoming resources from generated funds</i> | | | | | | |
| - Voluntary income | 3 | 298 | - | - | 298 | 265 |
| - Transfer from local authority on conversion | 2 | - | - | - | - | 12,051 |
| - Transfer from predecessor school | 2 | - | - | - | - | 68 |
| - Activities for generating funds | 4 | 72 | 13 | - | 85 | 64 |
| - Investment income | 5 | 9 | - | - | 9 | 1 |
| <i>Incoming resources from charitable activities</i> | | | | | | |
| - Funding for the Academy's educational operations | 6 | - | 6,149 | - | 6,149 | 5,256 |
| Total incoming resources | | 379 | 6,162 | - | 6,541 | 17,705 |
| Resources expended | | | | | | |
| <i>Charitable activities</i> | | | | | | |
| Academy's educational operations | 8 | 253 | 5,995 | 234 | 6,482 | 5,255 |
| <i>Governance costs</i> | 9 | - | 8 | - | 8 | 34 |
| Total resources expended | 7 | 253 | 6,003 | 234 | 6,490 | 5,289 |
| Net incoming (outgoing) resources before other recognised gains and losses | | 126 | 159 | (234) | 51 | 12,416 |
| Other recognised gains and losses | | | | | | |
| Actuarial gains/(losses) on defined benefit pension schemes | 20 | - | 11 | - | 11 | (108) |
| Transfer of funds | 16 | - | (142) | 142 | - | - |
| Net movement in funds | | 126 | 28 | (92) | 62 | 12,308 |
| Reconciliation of funds | | | | | | |
| Total funds brought forward at 1 September 2012 | | 1,084 | (603) | 11,827 | 12,308 | - |
| Total funds carried forward at 31 August 2013 | | 1,210 | (575) | 11,735 | 12,370 | 12,308 |


- All income is derived from continuing activities during the year
- All recognised gains and losses are included in the Statement of Financial Activities

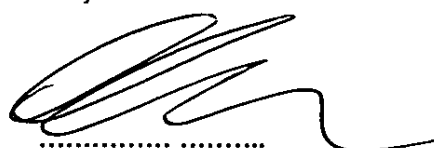
VYNERS SCHOOL ACADEMY TRUST

BALANCE SHEET AS AT 31 AUGUST 2013
COMPANY NUMBER 7796938

| | Note | 2013 £000 | 2013 £000 | 2012 £000 | 2012 £000 |
|---|------|--------------|--------------|--------------|--------------|
| Fixed assets | | | | | |
| Tangible assets | 13 | | 11,735 | | 11,827 |
| Total fixed assets | | | | | |
| Current assets | | | | | |
| Debtors | 14 | 170 | | 111 | |
| Cash at bank and in hand | | 1,427 | | 1,249 | |
| Total current assets | | 1,597 | | 1,360 | |
| Liabilities | | | | | |
| Creditors Amounts falling due within one year | 15 | (224) | | (130) | |
| Net current assets | | | 1,373 | | 1,230 |
| Total assets less current liabilities | | | 13,108 | | 13,057 |
| Net assets excluding pension liability | | | | | |
| Pension scheme liability | 20 | | (738) | | (749) |
| Net assets including pension liability | | | 12,370 | | 12,308 |
| Funds of the Academy: | | | | | |
| Restricted funds | | | | | |
| Fixed asset fund | 16 | | 11,735 | | 11,827 |
| Pension fund | 16 | | (738) | | (749) |
| General fund | 16 | | 163 | | 146 |
| | | | 11,160 | | 11,224 |
| Unrestricted funds | | | | | |
| General fund | 16 | | 1,210 | | 1,084 |
| Total unrestricted funds | | | 1,210 | | 1,084 |
| TOTAL FUNDS | | | 12,370 | | 12,308 |

The financial statements on pages 19 to 38 were approved by the Governors and authorised for issue on 9/12/13 2013 and signed on their behalf by


W H Gardner
Chair


J M Heale
Accounting Officer

• **VYNERS SCHOOL ACADEMY TRUST**

• **CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2013**

| | Notes | 2013 £000 | 2012 £000 |
|---|--------------|----------------------|----------------------|
| Net cash inflow from operating activities | 23 | 311 | 1,288 |
| Returns on Investments and Servicing of Finance | 24 | 9 | 1 |
| Capital expenditure | 25 | (142) | (40) |
| Increase in cash in the year | | <u>178</u> | <u>1,249</u> |
| Reconciliation of net cash flow to movement in net funds | | | |
| Net funds at 1 September 2012 | | 1,249 | |
| Movement in cash | | <u>178</u> | |
| Net funds at 31 August 2013 | 26 | <u>1,427</u> | |

- All of the cash flows are derived from continuing operations during the year

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards, The Charity Commission Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005), the Academies Accounts Direction issued by the EFA and the Companies Act 2006 (other than in respect of the disclosure of remuneration received by staff governors under employment contracts – see note 11 for details). A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

Going Concern

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

Conversion to Academy Trust

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

The assets and liabilities transferred on conversion from Vyners School Academy Trust to an Academy Trust have been valued at their fair value being a reasonable estimate of the current market value that the Governors would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for The Academy Trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income as net income in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transactions are set out in Note 2.

Incoming resources

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

Grants receivable

Grants, where conditions have been met to establish entitlement, are included in the statement of financial activities on a receivable basis. Where grants are received but conditions establishing entitlement have not been met, these are deferred. The balance of income receivable for specific purposes but not expended during the year is shown in the relevant funds on the balance sheet.

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

Donations

Donations are included in the statement of financial activities on a cash received basis or on an accruals basis where they are assured with reasonable certainty and are receivable at the balance sheet date.

1 ACCOUNTING POLICIES (continued)

Donated services and gifts in kind

The value of donated services and gifts in kind provided to the Academy is recognised in the statement of financial activities as incoming resources and resources expended at their estimated value to the Academy in the year in which they are receivable, and where the benefit is both quantifiable and material

Where it has been ascertained that the risks and rewards of property subject to long lease agreements lie substantially with the Academy, a reasonable estimate of the gross value is included within fixed assets and, with an appropriate credit to voluntary income (gift in kind), within the restricted fixed asset fund. The valuation is at an estimation of depreciated replacement cost on the basis that the assets represent specialised property and the open market value for existing use is not readily available

Interest receivable

Interest receivable is included within the statement of financial activities on a receivable basis

Resources expended

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

All resources expended are inclusive of irrecoverable VAT

Allocation of costs

In accordance with the Charities SORP, expenditure has been analysed between the cost of generating funds, the Academy's charitable activities and governance. Items of expenditure which involve more than one cost category have been apportioned on a reasonable, justifiable and consistent basis for the cost category concerned. Central staff costs and depreciation are directly attributable to the one principle activity of the Academy

Governance Costs

Governance costs include the costs attributable to the Academy's compliance and constitutional and statutory requirements, including audit, strategic management and Governors' meetings and reimbursed expenses. Such costs include both direct and allocated support costs

Fund accounting

General funds represent those resources which may be used towards meeting any of the objects of the Academy at the discretion of the Governors

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

Restricted funds comprise all other restricted funds received and include grants from the EFA and DfE

1 ACCOUNTING POLICIES (continued)

Tangible fixed assets

Tangible fixed assets acquired since the Academy was established are included in the accounts at cost. Assets costing less than £1,000 and a group of similar items costing £3,000 are written off in the year of acquisition. All other assets are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the Government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund (in the Statement of Financial Activities and carried forward in the balance sheet). The depreciation on such assets is charged to the restricted fund in the Statement of Financial Activities.

The property has been included at its donated value as provided on the 1 November 2011 by Wilks Head and Eve LLP, Chartered Surveyors.

Depreciation

Depreciation is provided on a straight line basis on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land. The principal annual rates used for other assets are:

| | |
|-------------------------|--------|
| Buildings | 2% |
| Furniture and equipment | 10-15% |
| ICT equipment | 25% |

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

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

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Taxation

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

1 ACCOUNTING POLICIES (continued)

Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 20, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

2 TRANSFER ON CONVERSION

| | Unrestricted Funds £000 | Restricted Funds £000 | 2013 Total £000 | 2012 Total £000 |
|--------------------------------|-------------------------------|-----------------------------|-----------------------|-----------------------|
| From Local Authority | | | | |
| Pension fund deficit | - | - | - | (641) |
| Property valuation | - | - | - | 12,006 |
| Surplus on schools budget | - | - | - | 686 |
| From Predecessor School | | | | |
| Surplus on School Funds | - | - | - | 68 |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>12,119</u> |

3 VOLUNTARY INCOME

| | Unrestricted Funds £000 | Restricted Funds £000 | 2013 Total £000 | 2012 Total £000 |
|-----------------|-------------------------------|-----------------------------|-----------------------|-----------------------|
| Trips | 268 | - | 268 | 187 |
| Other donations | 30 | - | 30 | 78 |
| | <u>298</u> | <u>-</u> | <u>298</u> | <u>265</u> |

4 ACTIVITIES FOR
GENERATING FUNDS

| | Unrestricted Funds £000 | Restricted Funds £000 | 2013 Total £000 | 2012 Total £000 |
|--------------------|-------------------------------|-----------------------------|-----------------------|-----------------------|
| Hire of facilities | 41 | - | 41 | 23 |
| Exams and music | 18 | 13 | 31 | 27 |
| Catering | - | - | - | 4 |
| Other | 13 | - | 13 | 10 |
| | <u>72</u> | <u>13</u> | <u>85</u> | <u>64</u> |

VYNERS SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013 cont..

| 5 INVESTMENT INCOME | Unrestricted Funds £000 | Restricted Funds £000 | 2013 Total £000 | 2012 Total £000 |
|---|-------------------------------|-----------------------------|-----------------------|-----------------------|
| Short term deposits | 9 | - | 9 | 1 |
| | | | | |
| 6 FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS | Unrestricted Funds £000 | Restricted Funds £000 | 2013 Total £000 | 2012 Total £000 |
| DfE/EFA revenue grants | | | | |
| General Annual Grant (GAG) | - | 5,844 | 5,844 | 5,035 |
| Start Up Grants | - | - | - | 25 |
| Other DfE / EFA Grants | - | 150 | 150 | 64 |
| | - | 5,994 | 5,994 | 5,124 |
| Other Government grants | | | | |
| Local Authority Grants | - | 121 | 121 | 132 |
| Other income | - | 34 | 34 | - |
| | | 155 | 155 | 132 |
| TOTAL | - | 6,149 | 6,149 | 5,256 |

| 7 RESOURCES EXPENDED | Staff Costs £000 | Premises Costs £000 | Non Pay Expenditure Other Costs £000 | 2013 Total £000 | Total 2012 £000 |
|---|------------------------|---------------------------|---|-----------------------|-----------------------|
| Academy's educational operations | | | | | |
| Direct costs | 4,394 | 217 | 692 | 5,303 | 4,432 |
| Allocated support costs | 426 | 577 | 176 | 1,179 | 823 |
| | 4,820 | 794 | 868 | 6,482 | 5,255 |
| Governance costs including allocated support costs | - | - | 8 | 8 | 34 |
| | 4,820 | 794 | 876 | 6,490 | 5,289 |
| Incoming/ Outgoing resources for the year include | | | | | |
| Operating Leases | | | | 19 | 41 |
| Auditors' Remuneration - audit | | | | 8 | 8 |

VYNERS SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013 cont...

| 8 CHARITABLE ACTIVITIES – ACADEMY'S EDUCATIONAL OPERATIONS | Unrestricted Funds £000 | Restricted Funds £000 | 2013 Total £000 | 2012 Total £000 |
|--|-------------------------------|-----------------------------|-----------------------|-----------------------|
| Direct costs | | | | |
| Teaching and educational support staff costs | - | 4,394 | 4,394 | 3,692 |
| Depreciation | - | 217 | 217 | 217 |
| Educational supplies | 213 | 230 | 443 | 309 |
| Examination fees | - | 100 | 100 | 113 |
| Staff development | - | 21 | 21 | 14 |
| Other direct costs | 40 | 88 | 128 | 85 |
| | <u>253</u> | <u>5,050</u> | <u>5,303</u> | <u>4,430</u> |
| Allocated support costs | | | | |
| Support staff costs | - | 426 | 426 | 369 |
| Recruitment and support | - | 17 | 17 | 24 |
| Depreciation | - | 17 | 17 | 2 |
| Maintenance of premises and Equipment | - | 348 | 348 | 248 |
| Cleaning | - | 91 | 91 | 72 |
| Rent and rates | - | 38 | 38 | 33 |
| Light and heat | - | 83 | 83 | - |
| Insurance | - | 46 | 46 | 47 |
| Catering | - | 22 | 22 | 16 |
| Other support costs | - | 91 | 91 | 14 |
| | <u>-</u> | <u>1,179</u> | <u>1,179</u> | <u>825</u> |
| Total Costs | <u>253</u> | <u>6,229</u> | <u>6,482</u> | <u>5,255</u> |
| 9 GOVERNANCE COSTS | | | | |
| Legal and professional fees | - | - | - | 26 |
| Audit of financial statements | - | 8 | 8 | 8 |
| | <u>-</u> | <u>8</u> | <u>8</u> | <u>34</u> |
| 10 STAFF COSTS | | | 2013 £000 | 2012 £000 |
| Staff costs during the year were - | | | | |
| - Wages and salaries | | | 3,940 | 3,298 |
| - Social security costs | | | 288 | 265 |
| - Other pension costs | | | 572 | 471 |
| | | | <u>4,800</u> | <u>4,034</u> |
| Indirect staff costs | | | 20 | - |
| Agency teacher costs | | | 41 | 27 |
| | | | <u>4,861</u> | <u>4,061</u> |

VYNERS SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013 cont..

10 STAFF COSTS (continued)

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

| | 2013 No. | 2012 No |
|------------------------------|-------------|------------|
| Charitable Activities | | |
| Teachers | 74 | 76 |
| Administration and support | 47 | 49 |
| | <u>121</u> | <u>125</u> |

The number of employees whose annual equivalent emoluments fell within the following bands was -

| | 2013 No | 2012 No. |
|-------------------|------------|-------------|
| £70,001 - £80,000 | 2 | 1 |
| £80,001 - £90,000 | - | 1 |
| | <u>2</u> | <u>2</u> |

The employees above participated in the Teachers Pension Scheme. During the year to 31 August 2013, pension contributions for these members of staff amounted to £21,380 (2012 £18,521 for 10 months)

11 GOVERNORS' REMUNERATION AND EXPENSES

Principal and staff Governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the Academy in respect of their role as Governors. The three Governors who received remuneration are

| Name | 2013 Amount | 2012 Amount (10 months) |
|------------------------|------------------|-------------------------|
| S Gould | - | £70,000- £75,000 |
| J Heale | £75,000- £80,000 | - |
| S Kendall and J Culley | £69,403 | £57,836 |

The other staff Governors listed above only received remuneration for their role as a member of staff and the salaries have been aggregated as the Governors believe any further detailed breakdown would be prejudicial to the structure of the Governing Board.

During the year ended 31 August 2013, reimbursed travel expenses to Governors totalled £nil (2012 nil)

Related party transactions involving the Governors are set out in note 22

VYNERS SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013 cont. .

12 GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim, the cost for the year ended 31 August 2013 is not separately identifiable

13 TANGIBLE FIXED ASSETS

| | Freehold Land and Buildings | Furniture, fittings and Computers | Total 2013 |
|------------------------|--|--|-----------------------|
| | £000 | £000 | £000 |
| Cost | | | |
| At 1 September 2012 | 12,006 | 40 | 12,046 |
| Additions | - | 142 | 142 |
| At 31 August 2013 | 12,006 | 182 | 12,188 |
| Depreciation | | | |
| At 1 September 2012 | 217 | 2 | 219 |
| Charged in year | 217 | 17 | 234 |
| At 31 August 2013 | 434 | 19 | 453 |
| Net book values | | | |
| At 31 August 2013 | 11,572 | 163 | 11,735 |
| At 31 August 2012 | 11,789 | 38 | 11,827 |

14 DEBTORS

| | 2013 £000 | 2012 £000 |
|------------------------|----------------------|----------------------|
| Prepayments | 31 | 22 |
| Grant and other income | 41 | 35 |
| VAT recoverable | 98 | 54 |
| | 170 | 111 |

15 CREDITORS. amounts falling due within one year

| | 2013 £000 | 2012 £000 |
|------------------------------|----------------------|----------------------|
| Wages and social security | 92 | 96 |
| Accruals and deferred income | 132 | 34 |
| | 224 | 130 |

VYNERS SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013 cont ..

15 CREDITORS: amounts falling due within one year (continued)

Deferred income

| | |
|--------------------------------------|-------|
| Deferred income at 1 September 2012 | 10 |
| Resources deferred in the year | 17 |
| Amounts released from previous years | (10) |
| | <hr/> |
| Deferred income at 31 August 2013 | 17 |

At the balance sheet date the academy trust was holding funds received in advance for rates relief

16 FUNDS

| | Balance at 31 August 2012 £000 | Incoming Resources £000 | Resources Expended £000 | Transfer between funds £000 | Balance at 31 August 2013 £000 |
|---|---|-------------------------------|-------------------------------|--------------------------------------|---|
| Restricted general funds | | | | | |
| General annual grant GAG | 119 | 5,844 | (5,708) | (142) | 113 |
| Other DfE/EFA grants | 27 | 150 | (127) | - | 50 |
| LEA and other grants | - | 155 | (155) | - | - |
| Other | - | 13 | (13) | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| | 146 | 6,162 | (6,003) | (142) | 163 |
| Restricted other funds | | | | | |
| Restricted fixed asset funds | | | | | |
| General fixed assets | 38 | - | (234) | 11,931 | 11,735 |
| Assets transferred from predecessor school | 11,789 | - | - | (11,789) | - |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| | 11,827 | - | (234) | 142 | 11,735 |
| Pension reserve | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| | (749) | - | 11 | - | (738) |
| Total restricted funds | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| | 11,224 | 6,162 | (6,226) | - | 11,160 |
| Unrestricted funds | | | | | |
| Unrestricted funds | 1,084 | 379 | (253) | - | 1,210 |
| Total unrestricted funds | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| | 1,084 | 379 | (253) | - | 1,210 |
| Total funds | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| | 12,308 | 6,541 | (6,479) | - | 12,370 |

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

General Annual Grant Income received from the EFA to cover the normal running costs of the Academy Under the amended funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2013

Other DfE/EFA grants This includes the pupil premium, the additional grants received for last years WGA return, budget and FRS17 pension report, the devolved formula capital grant, PE teachers grant and Capital Maintenance grant

LEA and other grants This includes SEN funding, 6th Form Pay Grant funding from London Borough of Hillingdon

The transfer of funds relate to the purchase of fixed assets during the year

VYNERS SCHOOL ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013 cont...

| 17 ANALYSIS OF NET ASSETS BETWEEN FUNDS | Unrestricted General Fund £000 | Restricted General Fund £000 | Restricted fixed asset fund £000 | Total 2013 £000 |
|--|---|---|---|--------------------------------|
| Tangible fixed assets | - | - | 11,735 | 11,735 |
| Current assets | 1,210 | 387 | - | 1,597 |
| Current liabilities | - | (224) | - | (224) |
| Pension scheme liability | - | (738) | - | (738) |
| | <u>1,210</u> | <u>(575)</u> | <u>11,735</u> | <u>12,370</u> |

18 FINANCIAL COMMITMENTS

Operating leases

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

| | 2013 £000 | 2012 £000 |
|--|----------------------|----------------------|
| Expiring within one year | 2 | 9 |
| Expiring within two and five years inclusive | 16 | 8 |
| | <u>18</u> | <u>17</u> |

19 CONTINGENT LIABILITIES

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay to the Education Funding Agency the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to

- the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy, and
- the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement

20 PENSION COSTS

The Academy's employees belong to two principal pension schemes the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff, the London Borough of Hillingdon Pension Fund (LBHPF) for non-teaching staff

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year

Teachers' Pension Scheme (TPS)

Introduction

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

Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' Pension Budgeting and Valuation Account

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

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

Valuation of the Teachers' Pension Scheme

At the last valuation, the contribution rate to be paid into the TPS was assessed in two parts. First, a standard contribution rate (SCR) was determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the year over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial review, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

20 PENSION COSTS (continued)

Teachers' Pension Scheme (TPS) (continued)

The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004. The Government Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at that valuation date) was £163,240 million. The assumed real rate of return was 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth was assumed to be 1.5%. The assumed gross rate of return was 6.5%. From 1 January 2007, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

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

Teachers' Pension Scheme Changes

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

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

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

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

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

20 PENSION COSTS (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with the assets held in separate Trustee administered funds. The total contribution made for the year to 31 August 2013 was £208k (2012 £137k), of which employer's contributions totalled £169k (2012 £107k) and employees' contributions totalled £39k (2012 £30k).

Principle Actuarial assumptions

| | At 31 August 2013 | At 31 August 2012 |
|--------------------------------------|----------------------|----------------------|
| Pension increase rate | 2.8% | 2.2% |
| Salary increase rate | 5.1% | 4.5% |
| Expected return on assets | 5.8% | 4.6% |
| Discount rate | 4.6% | 4.1% |
| Commutation of pensions to lump sums | 50% | 50% |

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

| | At 31 August 2013 | At 31 August 2012 |
|-----------------------------|----------------------|----------------------|
| <i>Retiring in 20 years</i> | | |
| Males | 22.3 | 22.3 |
| Females | 25.7 | 25.7 |
| <i>Retiring today</i> | | |
| Males | 20.80 | 20.80 |
| Females | 24.1 | 24.1 |

The Academy's share of the assets and liabilities in the scheme and the expected rate of return were -

| | Expected return at 31 August 2013 | Value at 31 August 2013 | Expected return at 31 August 2012 | Value at 31 August 2012 |
|--|---|----------------------------|---|----------------------------|
| | | £000 | | £000 |
| Equities | 6.6% | 456 | 5.5% | 242 |
| Bonds | 4.0% | 156 | 3.4% | 101 |
| Property | 4.7% | 48 | 3.7% | 32 |
| Cash | 3.6% | 20 | 2.8% | 28 |
| Total market value of assets | | 680 | | 403 |
| Present value of scheme liabilities | | (1,418) | | (1,152) |
| Surplus/(deficit) in the scheme | | (738) | | (749) |

20 PENSION COSTS (continued)

Local Government Pension Scheme (continued)

The return on the fund (on a bid value to bid value basis) for the year to 31 August 2013 is estimated to be 13.6%. This is based on the estimated fund value used at the previous accounting date and the estimated fund value used at this accounting date. The actual return on Scheme assets may be different.

| Amounts recognised in the statement of financial activity | 2013 £000 | 2012 £000 |
|--|----------------------|----------------------|
| Current service cost (net of employee contributions) | 145 | 96 |
| Total Operating Charge | 145 | 96 |
| Analysis of pension finance income/ (costs) | | |
| Expected return on pension scheme assets | (23) | (14) |
| Interest on pension liabilities | 51 | 37 |
| Pension finance income/ (costs) | 28 | 23 |

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £15k gain (2012 £96k loss).

| Movements in the present value of defined obligations were as follows: | 2013 £000 | 2012 £000 |
|---|----------------------|----------------------|
| Value of Scheme liabilities at 1 September 2012 | 1,152 | 884 |
| Current service cost | 145 | 96 |
| Interest cost | 51 | 37 |
| Contributions by Scheme participants | 39 | 30 |
| Actuarial loss / (gain) on Scheme liabilities | 31 | 109 |
| Estimated Benefits paid | - | (4) |
| Value of Scheme liabilities at 31 August 2013 | 1,418 | 1,152 |

20 PENSION COSTS (continued)

Local Government Pension Scheme (continued)

| Movement in the fair value of Academy's share of Scheme assets: | 2013 £000 | 2012 £000 |
|--|----------------------|----------------------|
| Fair value Scheme assets at 1 September 2012 | 403 | 243 |
| Expected return on Scheme assets | 23 | 14 |
| Actuarial gain/(loss) on Scheme assets | 46 | 13 |
| Contributions by the employer | 169 | 107 |
| Contributions by Scheme participants | 39 | 30 |
| Estimated Benefits paid | - | (4) |
| Fair value of Scheme assets at 31 August 2013 | 680 | 403 |

The estimated value of employer contributions for the year ended 31 August 2014 is £171,000

The history of experience adjustments is as follows:

| | 2013 £000 | 2012 £000 |
|--|----------------------|----------------------|
| Present value of Defined Benefit obligations | (1,418) | (1,152) |
| Fair value of share of scheme assets | 680 | 403 |
| Deficit in the scheme | (738) | (749) |
| Experience adjustments on share of scheme assets Amount £'000 | 46 | 13 |
| Experience adjustments on scheme liabilities Amount £'000 | - | - |

21 MEMBERS' LIABILITY

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

22 RELATED PARTY TRANSACTIONS

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

There were no related party transactions during the year

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013 cont.

23 RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES

| | 2013 £000 | 2012 £000 |
|--|----------------------|----------------------|
| Net income | 51 | 12,416 |
| Depreciation | 234 | 219 |
| Interest receivable | (9) | (1) |
| Assets transferred from predecessor school | - | (12,006) |
| LGP liability from predecessor school | - | 641 |
| Increase in debtors | (59) | (111) |
| Increase in creditors | 94 | 130 |
| Net cash inflow from operating activities | <u>311</u> | <u>1,288</u> |

24 RETURNS ON INVESTMENTS AND SERVICES OF FINANCE

| | 2013 £000 | 2012 £000 |
|-------------------|----------------------|----------------------|
| Interest received | <u>9</u> | <u>1</u> |

25 CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

| | 2013 £000 | 2012 £000 |
|-----------------------------|----------------------|----------------------|
| Purchase of tangible assets | <u>(142)</u> | <u>(40)</u> |

26 ANALYSIS OF CHANGES IN NET FUNDS

| | At 31 August 2012 £000 | Cash Flows £000 | At 31 August 2013 £000 |
|--------------------------|---------------------------------------|----------------------------|---------------------------------------|
| Cash in hand and at bank | <u>1,249</u> | <u>178</u> | <u>1,427</u> |