

Registered number 08119703

KING ECGBERT SCHOOL
(A Company Limited by Guarantee)

**ANNUAL REPORT AND FINANCIAL
STATEMENTS**

**FOR THE ELEVEN MONTH PERIOD
ENDED 31 AUGUST 2013**

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COMPANIES HOUSE

KING ECGBERT SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS FOR THE ELEVEN MONTH PERIOD ENDED 31 AUGUST 2013

Governors	<p>P Archer, Parent Governor (appointed 1 January 2013)^{1,2} L A Bowes, Headteacher & Accounting Officer (appointed 26 June 2012)^{1,2,3} A P Brock, Parent Governor (appointed 13 September 2012)^{1,2} A I Campbell, Staff Governor (appointed 13 September 2012)¹ J F Deal, Community Governor (appointed 13 September 2012)² M F Downing, Parent Governor (appointed 13 September 2012)¹ J.P Fox, Community Governor (appointed 13 September 2012, resigned 30 September 2013)² I.J. Hewson, Chair and Community Governor (appointed 13 September 2012, resigned 26 June 2013)^{1,3} S M. Hillier, Community Governor (appointed 26 June 2013)² J Jones, Community Governor (appointed 13 September 2012)¹ D.M. Lawrance, Staff Governor (appointed 26 June 2013)¹ R W C Moore, Community Governor (appointed 13 September 2012)¹ I.J.W Morton-Hall, Parent Governor (appointed 13 September 2012)³ C.M.H. Newman, Vice Chair and Parent Governor (appointed 13 September 2012)¹ H.J Powell, Community Governor (appointed 13 September 2012)¹ J Rose, Staff Governor (appointed 15 October 2012)² A A Shaheen, Community Governor (appointed 13 September 2012)³ M R Smith, Chair of F, E and GP Community Governor (appointed 13 September 2012)² P.D Smith, Chair (from 26/06/2013) and Parent Governor (appointed 13 September 2012)^{1,2} A Ward, Community Governor (appointed 7 January 2013)² G E Webb, Parent Governor (appointed 13 September 2012)¹ J.R Whitton, Staff Governor (appointed 13 September 2012, resigned 30 April 2013)³</p>
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¹ Curriculum and personnel committee

² Finance, enterprise and general purposes committee

³ Community and extended schools committee

Company registered number	08119703
Principal and registered office	King Ecgbert School Totley Brook Road Sheffield South Yorkshire S17 3QU
Company secretary	C.F Chance
Accounting officer	L.A Bowes
Senior leadership team	<p>L.A Bowes, Headteacher J. Arundale, Associate Headteacher E Anderson, Deputy Headteacher D Willis, Deputy Headteacher M Bailey, Assistant Headteacher P Bristow, Assistant Headteacher R McCairns, Assistant Headteacher J. Smith, Assistant Headteacher H Yazdi, Assistant Headteacher C F Chance, Business Manager</p>

KING ECGBERT SCHOOL

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS
FOR THE ELEVEN MONTH PERIOD ENDED 31 AUGUST 2013**

Advisers (continued)

Independent auditor Barber Harrison & Platt
Chartered Accountants
2 Rutland Park
Sheffield
S10 2PD

Bankers Yorkshire Bank
Fargate
S1 1LL

Virgin Money
Jubilee House
Gosforth
Newcastle upon Tyne
NE3 4PL

Solicitors Browne Jacobson LLP
44 Castle Gate
Nottingham
NG1 7BJ

KING ECGBERT SCHOOL

GOVERNORS' REPORT

FOR THE ELEVEN MONTH PERIOD ENDED 31 AUGUST 2013

The Governors present their annual report together with the financial statements and auditor's reports of the Charitable Company, King Egbert School, for the eleven month period ended 31st August 2013

Structure, governance and management

a. Constitution

The academy is a charitable company limited by guarantee and an exempt charity. The charitable company was incorporated on 26 June 2012 and commenced trading on 1 October 2012. The charitable company was dormant until 30 September 2012 and so these accounts effectively cover the period from incorporation.

b. Members' liability

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

c. Governors' indemnities

Governors are covered by the school insurer for liability arising from negligent acts, errors and omissions committed in good faith.

d. Principal activities

The School's principal activities are guided by the Trust's Articles of Association and its Funding Agreement with the Department for Education. Under the agreement, the Trust maintains King Egbert School, an independent secondary school, having the characteristic set out in the Academies Act 2010.

The School offers a balanced and broadly based curriculum. The School provides for pupils of different abilities, operating under the same admissions law and Department for Education admissions Codes of Practice that apply to maintained schools. The School is at the heart of its community. It promotes cohesion and shares its expertise, resources and facilities with other schools and the wider community.

e. Method of recruitment and appointment or election of Governors

The management of the academy is the responsibility of the Governors who are elected and co-opted under the terms of the Articles of Association.

The School's Governing Body comprises Parent, Staff and Community Governors. Its Articles of Association provide for the following Governor positions:

- Seven Parent Governors
- Up to 9 Community Governors, being individuals who live or work in the community served by the School or who are committed to the government and success of the Academy
- The Headteacher
- Up to 3 Staff Governors

The Articles of Association permit the Governing Body to appoint up to three co-opted Governors to assist the School. The Secretary of State for Education may, in special circumstances, appoint further and additional Governors. No co-opted or Secretary of State appointees were made during the year.

KING EGBERT SCHOOL

GOVERNORS' REPORT (continued)

FOR THE ELEVEN MONTH PERIOD ENDED 31 AUGUST 2013

f. Policies and procedures adopted for the induction and training of Governors

On appointment to the Governing Body, new governors are invited to attend induction training. The training includes the main governing roles, strategic leadership role; the school's vision; being a critical friend, effective meetings, planning, monitoring and evaluating the work of the school; accountability; how the governing body communicates and consults and how it accounts for its actions to stakeholders.

g. Organisational structure

Subject to the mandates imposed by the Companies Act 2006, the Articles of Association ensure that the Governors who exercise all the powers of the Academy Trust, with very few exceptions reserved to the members, manage the Academy Trust. The Governing Body's scheme of delegation provides for decisions to be taken at the most appropriate level, by its committees and staff through the management structure. The Governing Body is supported by a number of committees as part of its decision-making processes. The Governing Body reserves responsibility of the appointment of the Headteacher.

The key responsibilities of the Finance, Enterprise and General Purposes Committee include: the responsibility to ensure that adequate operational systems and controls are in place and implemented to meet the School's regulatory and funding obligations, approval of the School's accounting policies, approval of the annual School budget; the appointment of its auditors; the security of the School's assets and the appointment of the Business Manager.

The Headteacher is responsible for the internal organisation, management and control of the School, the implementation of all policies approved by the Governing Body and the direction of teaching and the curriculum. In relation to financial control, the Headteacher, as Accounting Officer, reviews income and expenditure of the School. The Headteacher has full discretion in the use of funds up to the value of £10,000 for an individual item or service. Sums in excess of this will require sanction from the Finance, Enterprise and General Purposes Committee.

The Business Manager is responsible for preparing an annual draft budget for consideration by the Finance, Enterprise and General Purposes Committee, monitoring expenditure, maintaining proper Financial and other procedures.

The King Egbert Senior Leadership Team (SLT) comprises the Headteacher, one Associate Headteacher, two Deputy Headteachers, four full-time Assistant Headteachers, one part-time Assistant Headteacher and the Business Manager. The SLT determines the strategic direction of the School, making policy recommendations to the Governing Body. The SLT has operational control of the School and monitors the quality of provision.

Middle Leaders at all levels contribute to the decision making processes and are instrumental in ensuring the implementation of their area of whole-school policies and procedures. Subject leaders and pastoral leaders meet together regularly and these meetings serve both to further the School improvement agenda and to provide additional professional development opportunities for these colleagues.

Line management structures are a key part of the organisation of the School, ensuring dialogue and accountability for performance. All colleagues are subject to performance review procedures, the targets contained in which all contribute to the achievement of the School's improvement plan.

The School's Financial Control Group comprises the Headteacher and the Business Manager who collectively assess the School's financial position and formulate the recommendations to the Finance, Enterprise and General Purposes Committee as part of the budget setting, monitoring and planning process.

KING ECBERT SCHOOL

GOVERNORS' REPORT (continued)

FOR THE ELEVEN MONTH PERIOD ENDED 31 AUGUST 2013

h. Risk management

The Governors have assessed the major risks to which the School is exposed, in particular those related to the specific teaching and other operational areas and its finances. The Governors have implemented a number of systems to assess the risks that the School faces, especially in operational areas (eg in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. Systems are in place, including operational procedures (eg vetting of new staff and visitors, supervision of the schools grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains, the Governors have ensured that they have adequate insurance cover alongside controls. The School has an effective system of internal financial controls and further details have been provided in the below.

i. Connected organisations, including related party relationships

King Egbert entered into a 'Learning Partnership' (soft federation) with Newfield School on the 1st September 2012. The intention is for the partnership to be operational until 31st August 2014. Leadership capacity provided by King Egbert School includes L. Bowes as Executive Headteacher (2 days per week), T. Eldridge as Head of School (full time) and H. Yazdi as Assistant Headteacher (2 days per week).

King Egbert staff, across the curriculum, share their experience with many other schools. Similarly, the School's business staff have shared their experience and expertise with other schools converting or considering whether to convert to academy status.

This collaborative work, in furtherance of the Trust's charitable object, is detailed under the heading 'Achievements and Performance' below.

Objectives and Activities

a. Objects and aims

The Academy Trust's object 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.

b. Objectives, strategies and activities

The key aim of King Egbert School is to maximise progress of all students, whatever their starting point by

- Seeking to improve the quality of teaching and learning continually
- Embedding high quality teaching of reading, writing, communication and mathematics across the curriculum
- Further increasing links with harder to reach families
- Sustaining high levels of attendance and punctuality

Objectives for the period to 31st August 2013

Key aims were to be achieved through the School Improvement Plan 2012/13, for which objectives are grouped under the following headings

Strategic support for learning

1. Successfully launch KES as an academy
2. Launch and embed an effective partnership with Newfield School to secure sustainable school improvement

KING ECGBERT SCHOOL

GOVERNORS' REPORT (continued)

FOR THE ELEVEN MONTH PERIOD ENDED 31 AUGUST 2013

- 3 Monitor local and national policy statements with reference to school type and diversity assessing appropriateness for the KES context and the KES family of schools context
4. Ensure continuing rigorous self-evaluation to inform school improvement planning
5. Address within school variation to ensure every child is enabled to make maximum progress and realise their potential
- 6 Ensure on-going effective facilities management to ensure the building supports 21st century learning
- 7 Seek to ensure the ICT infrastructure and managed service supports high quality learning and organisational efficacy.
- 8 Embed partnership working Post-16
- 9 Ensure the equality agenda underpins all our work
- 10 Raise the proportion of students who achieve the EBACC
11. Develop and embed working partnerships with parents/carers
- 12 Provide an opportunity for enrichment for all within the school day

Learning and teaching

- 1 Sustain high levels of achievement in the sixth form
2. Maintain the progress of high achieving subjects and cohorts whilst seeking to close all gaps in performance at all levels
- 3 Develop CPD for all staff
- 4 Ensure lessons consistently provide all students with a stimulating, demanding and supportive environment, sharply focused on accelerating learning
5. Systematically share and embed the best practice in T&L
- 6 Embed high quality teaching of RWCM

Learning and curriculum

- 1 Review and develop the curriculum and its structure KS3-KS4
- 2 Review and develop the post-16 curriculum offer and its structure.
- 3 Develop high quality SMSC provision across the curriculum

Learning and inclusion

- 1 Develop provision for all pupils with Additional Educational Needs
2. Develop the role of pastoral leaders to have greater impact on pupil achievement
- 3 Embed strategies to sustain high levels of attendance and punctuality
4. Ensure the continuous evaluation of safeguarding procedures by a range of stakeholders
- 5 Embed learning behaviours using the code of conduct, rewards and other interventions
- 6 Develop and embed pupil voice and leadership
- 7 Ensure equality for all groups is considered and promoted assiduously and any prejudice or discrimination is tackled effectively

Learning and community

- 1 Develop extended school provision
- 2 Develop strategies to promote the school in the community and beyond and to increase involvement and participation of 'harder to reach' families

Detailed evaluation of the actions related to these objectives and the progress made towards attaining them can be found in the full School Improvement Plan. Each year the plan is updated and amended to reflect the progress the school has made, emerging issues and developing priorities

KING ECBERT SCHOOL

GOVERNORS' REPORT (continued)

FOR THE ELEVEN MONTH PERIOD ENDED 31 AUGUST 2013

Achievements and performance

a. Review of activities

Successful conversion of the former maintained school to form the Academy Trust was a major achievement, requiring significant leadership and management. The School continues to play its full part in collaborative relationships with schools in Sheffield and beyond. The expertise gained during the process of conversion to Academy status has been shared with other schools in a variety of forums.

King Egbert School was inspected by OFSTED in May 2013. The Ofsted judgement was OUTSTANDING for Overall Effectiveness along with Leadership and Management, Teaching and Achievement.

Summary of key findings for parents and pupils

This is an outstanding school

- *Overall, students make outstanding progress. The proportion of students achieving five GCSE grades at A* to C, including English and Mathematics, is consistently well above average.*
- *Achievement in mathematics is truly exceptional and amongst the very best nationally. Students are extraordinarily enthusiastic about learning because the quality of teaching is regularly outstanding.*
- *Teachers plan imaginative activities, which motivate students. There are examples of outstanding teaching in many subjects, including English, art and history.*
- *Disabled students and those who have special educational needs make outstanding progress as a result of excellent targeted interventions. Students with autism spectrum disorders receive outstanding care and guidance to support their achievement.*
- *Students' positive attitudes are reflected in their good behaviour. Attendance is above average because students value what the school offers them.*
- *The headteacher's relentless energy, high standards and focus on every student motivate leaders at all levels. Together they have brought about outstanding improvement by continuously improving teaching and raising standards.*
- *Outstanding teaching in history, geography and art makes an exceptional contribution to students' spiritual, moral, social and cultural development.*
- *Governors provide senior leaders with outstanding support and challenge. Senior leaders are held to account for all aspects of the school's performance.*
- *The sixth form is outstanding. Students make outstanding progress on a range of courses and are well prepared for their futures.*

KING ECGBERT SCHOOL**GOVERNORS' REPORT (continued)****FOR THE ELEVEN MONTH PERIOD ENDED 31 AUGUST 2013****Examination results 2013****Year 12**

	A – C	A - E
AS	54.7%	86.1%

Year 13

	A – C	A - E
A2	90.8%	100%

Year 11

	5 A* – C (E/M)	5 A* - C	5 A* - G	1 A* - G
GCSE	70%	94.9%	99.5%	99.5%

Examination Results 2010 - 2013

A2	2010	2011	2012	2013	Trend
A*	9.4%	10.3%	10.1%	14.0%	Positive
A-B	51.5%	52.2%	58.8%	68.4%	Positive
A-C	74.4%	77.7%	83.4%	90.8%	Positive
A-E	99.3%	99.4%	99.7%	100.0%	Positive

GCSE	2010	2011	2012	2013	Trend
5 A*-C	82.0%	87.0%	92.4%	94.9%	Positive
5 A* - G	96.0%	99.0%	98.5%	99.5%	Positive
1 A* - G	99.0%	99.5%	99.5%	99.5%	Positive

Admissions

The School continues to be over-subscribed, the standard admission number is 193

	Sept 2010	Sept 2011	Sept 2012
Admissions to Year 7	199	199	196
Admissions to Year 12	139	116	141
Total School roll	1,279	1,207	1,249

Attendance

	2010 - 11	2011-12	2012-13	Trend
Whole School Attendance %	94.5	95.0	95.32	Positive

KING ECGBERT SCHOOL

GOVERNORS' REPORT (continued)

FOR THE ELEVEN MONTH PERIOD ENDED ENDED 31 AUGUST 2013

b. Going concern

After making appropriate enquiries, the board of governors 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.

c. Financial review

On 1st October 2012 the school premises and equipment were transferred by Sheffield City Council (SCC) to the Academy Trust and they are now included in its balance sheet at valuations which are shown in note 15 to the accounts.

SCC also transferred funds of £488,361, representing the School's cumulative revenue surplus as a maintained school, to the Academy on conversion.

The Statement of Financial Activities for the period ended 31st August 2013 shows a surplus before pension adjustments of £500,378 on unrestricted funds and £495,528 on restricted general funds ie a total surplus on revenue activities of £995,906. This is made up of the incoming funds on conversion of £545,684 mentioned above and an operating surplus for the period of £450,222. These surpluses are reduced by actuarial adjustments regarding South Yorkshire Pension Scheme of £1,332,000. However, the fixed assets fund totals £19,931,202.

Most of the School's income is in the form of recurring grants from the Department for Education (DfE) which are provided under the funding agreement with the Trust. The use of this income is restricted to particular purposes. The DfE grants received by the Trust for the period ended 31st August 2013 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

d. Key financial performance indicators

The School recognises the importance of performance indicators, to ensure that it delivers educational and financial excellence.

The School's financial performance is monitored by the Governors and senior leadership team through periodic internal financial reports.

It is also monitored through the completion and submission to the Education Funding Agency (EFA) of

- The Annual Accounts Return
- The Academies Budget Forecast 2013/14
- The Financial Management and Governance Statement

Financial review

a. Financial and risk management objectives and policies

The Academy is not generally exposed to significant uncertainty in relation to financial instruments. The key issue is the pension scheme liability, which is included in the accounts on the basis of actuarial advice and inevitably will be subject to fluctuations in the future.

KING ECBERT SCHOOL

GOVERNORS' REPORT (continued)

FOR THE ELEVEN MONTH PERIOD ENDED 31 AUGUST 2013

b. Principal risks and uncertainties

The School has undertaken work during the period to establish the system of internal control, including financial, operational and risk management, which is designed to protect the School's assets and reputation. The School's Risk Management Policy contains the details of risks to which our organisation is exposed. It identifies the key risks, the likelihood of those risks occurring, their potential impact on the School and the actions being taken to avoid, reduce and mitigate the risks. The register includes the controls in place to minimise and mitigate potential impact on the School. It also reflects the continuing efforts taken by the School during the year and includes appropriate review dates for those risks. All proposed new activities are assessed for risk. Risks are rated using a consistent scoring system.

The most significant risks are identified below

1 Government Funding

The School has considerable reliance on continued government funding through the EFA under funding agreement with the Department for Education. In 2012/13, over 99% of the School's revenue was ultimately public funded. The School is informed by the EFA of funding mechanisms and policies to the same degree as similar organisations. The risk is mitigated in a number of ways including contractual arrangements, by delivering high quality education and maintaining our relationship with EFA acting as the delivery agency for funding and compliance on behalf of the Department for Education.

The School Funding Reform, provides minimum per pupil funding guarantees (minus 1.5% per annum) in relation to core funding until the end of the 2014-15 school year.

2 Underlying rate of inflation and staffing costs

The school is mindful of the rise in the underlying rate of inflation. The School's staff transferred from the local authority employer to the Academy Trust with the same terms and conditions. The on-going increasing expenditure associated with anticipated progression within salary scales is budgeted for.

A key objective of King Egbert School is to maintain a structure of prudent financial management.

c. Reserves policy

The level of reserves should

- Ensure fluctuations in income (eg. Reduction in Core Funding for Key Stages 3 and 4 and Sixth Form Funding due to the School Funding Reforms) or unexpected expenditure (eg. Curriculum changes) are managed effectively
- Enable a robust programme for the renewal and replacement of school assets, particularly ICT to be developed and maintained

In achieving this, the Governors will be mindful that existing students are not disadvantaged through the retention of excessive reserves.

d. Investments policy

The Trust's Articles of Association restrict any decisions on the investment of School funds to the Governing Body. Governors may only invest funds after taking advice from a financial expert, as defined under the Financial Services and Markets Act 2000. Investments are currently restricted to a deposit account. Any interest is returned to the School as unrestricted income.

KING ECGBERT SCHOOL

GOVERNORS' REPORT (continued)

FOR THE ELEVEN MONTH PERIOD ENDED 31 AUGUST 2013

Plans for the future

a Plans for future periods

The Academy Trust is committed to providing first class educational opportunities for every child, our mission statement 'achieving excellence' embodies an ethos where all pupils are valued as individuals. The Trust is committed to a culture of excellence and enjoyment with student achievement and personal growth at the heart of all we do. It is paramount that outstanding schools are able to share their expertise and leadership to the benefit of the wider community. To achieve this, the current King Egbert School single academy trust intends to convert to the Mercia Multi Academy Trust during the 2014 Spring Term. This will establish a structure which will formalise partnerships with other schools, in the first instance - Totley Primary School and also enable the Mercia Multi Academy Trust to sponsor other schools, potentially Newfield Secondary School.

In determining our objectives and planning our priorities for the future, the Governors are mindful of the Charity Commission's general guidance on public benefit.

We will continue to have the raising of standards, through improvements in progress and learning, as top priority. This will continue to ensure progression routes for our students at 16+ and 18+, whether into employment or into further/higher education, and the avoidance of young people becoming classed NEET (not in education, employment or training).

Our curriculum is reviewed annually, and evolves with the aim of matching students ever more closely to the most appropriate courses. Guided choices will ensure more-able students study the suite of subjects which will lead them to English Baccalaureate qualification, enabling them to access courses at the country's leading universities. Greater provision will support the development of literacy, numeracy and social competences in our less-able and more vulnerable students.

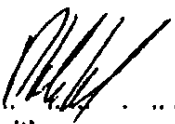
At Sixth Form, we will continue to ensure our range of courses continues to provide progression for students and responds to their needs. This should lead to further positive levels of recruitment of students into the Sixth Form, including from other schools.

Disclosure of information to auditor

Each of the persons who are Governors at the time when this Governors' Report is approved has confirmed that

- so far as that Governor is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Governor has taken all the steps that ought to have been taken as a Governor in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This report was approved by order of the Board of Governors' on 16 December 2013 and signed on its behalf by


P.D. Smith
Chair of Trustees

KING ECGBERT SCHOOL

GOVERNANCE STATEMENT

Scope of Responsibility

As Governors, we acknowledge we have overall responsibility for ensuring that King Egbert 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 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 King Egbert School and the Secretary of State for Education. They are also responsible for reporting to the Board of Governors' any material weaknesses or breakdowns in internal control.

The range of expertise offered by the Governing Body is exceptional and includes a Professional of Cardiology, a HR Professional, Lawyers, a retired Senior Civil Servant (QC), Chartered Accountants and Business/Financial Consultants.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Governors' Responsibilities Statement. The Board of Governors' has formally met 3 times during the eleven month period ended Attendance during the eleven month period ended at meetings of the Board of Governors' was as follows:

Governor	Meetings attended	Out of a possible
P Archer, Parent Governor (Appointed 01/01/13)	2	2
L.A Bowes, Headteacher & Accounting Officer	3	3
A P Brock, Parent Governor	3	3
A I Campbell, Staff Governor	2	3
J F Deal, Community Governor	3	3
M.F. Downing, Parent Governor	3	3
J P. Fox, Community Governor	3	3
I J Hewson, Chair and Community Governor (Resigned 26/06/13)	3	3
S.M. Hillier, Community Governor (Appointed 26/06/13)	1	1
J. Jones, Community Governor	3	3
D M. Lawrance, Staff Governor (Appointed 26/06/13)	1	1
R W C. Moore, Community Governor	3	3
I J W Morton-Hall, Parent Governor	3	3
C M H Newman, Vice Chair and Parent Governor	3	3
H.J. Powell, Community Governor	2	3
J Rose, Staff Governor (Appointed 15/10/12)	3	3
A A Shaheen, Community Governor	0	3
M R Smith, Chair of F, E and GP Community Governor	3	3
P.D Smith, Chair (from 26/06/2013) and Parent Governor	3	3
A Ward, Community Governor (Appointed 07/01/12)	2	2
G.E. Webb, Parent Governor	2	3
J.R. Whitton, Staff Governor (Resigned 30/04/13)	1	2

KING EGBERT SCHOOL

GOVERNANCE STATEMENT (continued)

The Finance, Enterprise and General Purposes Committee is a sub-committee of the main Board of Governors'

Attendance at meetings in the eleven month period ended was as follows:

Governor	Meetings attended	Out of a possible
L.A. Bowes, Headteacher & Accounting Officer	3	3
J Rose, Staff Governor (Appointed 15/10/12)	3	3
P Archer, Parent Governor (Appointed 01/01/13)	2	2
A.P Brock, Parent Governor	1	1
P D Smith, Chair and Parent Governor (Chair from 26/06/13)	3	3
J F Deal, Community Governor	2	3
J P Fox, Community Governor	2	3
S M. Hillier, Community Governor (Appointed 26/06/13)	0	0
M R Smith, Community Governor	3	3
A Ward, Community Governor (Appointed 07/01/12)	1	1

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy 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 King Egbert School for the eleven month period ended 1 October 2012 to 31 August 2013 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Governors' has reviewed the key risks to which the academy 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 ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the eleven month period ended 1 October 2012 to 31 August 2013 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Governors'.

The Risk and Control Framework

The academy'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, Enterprise and General Purposes 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 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 Barber Harrison & Platt, the external auditor, to perform additional checks

KING ECGBERT SCHOOL

GOVERNANCE STATEMENT (continued)

The auditor's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. On a termly basis, the auditor 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.

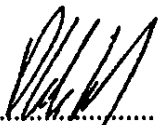
Review of Effectiveness

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

- the work of the external auditor,
- the financial management and governance self-assessment process,
- the work of the executive managers within the academy 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, Enterprise and General Purposes 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 16 December 2013 and signed on their behalf, by


.....
P.D. Smith
Chair of Trustees


.....
L.A. Bowes
Accounting Officer

KING EGBERT SCHOOL

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of King Egbert School I have considered my responsibility to notify the academy Board of Governors' 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 (2012)

I confirm that I and the academy Board of Governors' are able to identify any material, 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 (2012)

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


L. Bowes
Accounting Officer

Date 16 December 2013

KING ECGBERT SCHOOL

GOVERNORS' RESPONSIBILITIES STATEMENT FOR THE ELEVEN MONTH PERIOD ENDED 31 AUGUST 2013

The Governors (who act as governors of King Egbert School 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 Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations

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


- select suitable accounting policies and then apply them consistently,
- observe the methods and principles of the Charities SORP,
- make judgments and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 Board of Governors' and signed on its behalf by:


.....
P.D. Smith
Chair of Trustees

Date 16 December 2013

KING ECGBERT SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KING ECGBERT SCHOOL

We have audited the financial statements of King Egbert School for the eleven month period ended 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, 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 its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Governors and auditor

As explained more fully in the Governors' Responsibilities Statement, the Governors (who are 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 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 eleven month period ended then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2013 issued by the Education Funding Agency.

Opinion on other matter prescribed by the Companies Act 2006

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

KING ECGBERT SCHOOL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KING ECGBERT SCHOOL

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



Philip Allsop (Senior Statutory Auditor)

for and on behalf of

Barber Harrison & Platt

Chartered Accountants
Statutory Auditors

2 Rutland Park
Sheffield

S10 2PD

Date. 19 December 2013

KING ECBERT SCHOOL

INDEPENDENT REPORTING AUDITOR'S ASSURANCE REPORT ON REGULARITY TO KING ECBERT SCHOOL AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 23 July 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by King Egbert School during the eleven month period ended 26 June 2012 to 31 August 2013 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them

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

Respective responsibilities of King Egbert School's accounting officer and the reporting auditor

The accounting officer is responsible, under the requirements of King Egbert School's funding agreement with the Secretary of State for Education dated 20 February 2012, and the Academies Financial Handbook extant from 2006, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2013. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the eleven month period ended 26 June 2012 to 31 August 2013 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them

Approach

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

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

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

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

The work undertaken to draw our conclusion includes:

- Detailed testing on a sample basis to assess the nature of expenditure and whether funds have been used appropriately,
- Review of the academy's internal financial procedures to ensure that controls are in place to prevent or identify regularity issues,
- Ensure that EFA approval has been obtained for relevant transactions,
- Discussions with Governors, Senior Leadership Team and the Accounting Officer throughout the audit process to ensure that all regularity threats have been addressed

KING ECGBERT SCHOOL

**INDEPENDENT REPORTING AUDITOR'S ASSURANCE REPORT ON REGULARITY TO KING ECGBERT SCHOOL AND THE
EDUCATION FUNDING AGENCY (continued)**

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 eleven month period ended 26 June 2012 to 31 August 2013 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them



Philip Allsop (Senior Statutory Auditor)

for and on behalf of

Barber Harrison & Platt

Chartered Accountants
Statutory Auditors

2 Rutland Park
Sheffield
S10 2PD

Date: 19 December 2013

KING ECGBERT SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating Income and Expenditure Account and Statement of Recognised Gains and Losses)
FOR THE ELEVEN MONTH PERIOD ENDED 31 AUGUST 2013

	Note	Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	Total funds 2013 £
Incoming resources					
Incoming resources from generated funds					
Transfers from local authority on conversion	2	488,361	57,323	20,340,819	20,886,503
Other voluntary income	2	601	120,283	-	120,884
Activities for generating funds	3	196,825	-	-	196,825
Investment income	4	11,416	-	-	11,416
Incoming resources from charitable activities	5	-	6,605,139	-	6,605,139
Total incoming resources		697,203	6,782,745	20,340,819	27,820,767
Resources expended					
Costs of generating funds-					
Costs of generating voluntary income	6	196,825	100,031	-	296,856
Charitable activities	7	-	6,129,874	409,617	6,539,491
Governance costs	10	-	57,312	-	57,312
Total resources expended	7	196,825	6,287,217	409,617	6,893,659
Net incoming resources before gains and losses		500,378	495,528	19,931,202	20,927,108
Actuarial gains and losses on defined benefit pension schemes					
		-	(1,332,000)	-	(1,332,000)
Net movement in funds for the year		500,378	(836,472)	19,931,202	19,595,108
Total funds at 26 June 2012					
		-	-	-	-
Total funds at 31 August 2013		500,378	(836,472)	19,931,202	19,595,108

All of the academy's activities derive from continuing operations in the current eleven month period ended

The Statement of Financial Activities includes all gains and losses recognised in the eleven month period ended

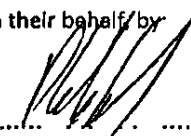
The notes on pages 24 to 47 form part of these financial statements

KING ECGBERT SCHOOL
REGISTERED NUMBER 08119703

BALANCE SHEET
AS AT 31 AUGUST 2013

	Note	£	2013 £
Fixed assets			
Tangible assets	16		19,931,202
Current assets			
Debtors	17	75,369	
Cash at bank and in hand		1,272,240	
		<u>1,347,609</u>	
Creditors: amounts falling due within one year	18	(317,703)	
Net current assets			<u>1,029,906</u>
Total assets less current liabilities			<u>20,961,108</u>
Defined benefit pension scheme liability	25		(1,366,000)
Net assets including pension scheme liabilities			<u><u>19,595,108</u></u>
Funds of the academy			
Restricted funds			
Restricted funds	19	529,528	
Restricted fixed asset funds	19	19,931,202	
Restricted funds excluding pension liability		20,460,730	
Pension reserve		<u>(1,366,000)</u>	
Total restricted funds			<u>19,094,730</u>
Unrestricted funds	19		<u>500,378</u>
Total funds			<u><u>19,595,108</u></u>

The financial statements were approved by the Governors, and authorised for issue, on 16 December 2013 and are signed on their behalf by



P.D. Smith
Chair of Trustees

The notes on pages 24 to 47 form part of these financial statements

KING ECGBERT SCHOOL**CASH FLOW STATEMENT****FOR THE ELEVEN MONTH PERIOD ENDED ENDED 31 AUGUST 2013**

		Eleven month period ended 31 August 2013 £
	Note	
Net cash flow from operating activities	21	715,141
Returns on investments and servicing of finance	22	11,416
Cash transferred on conversion to an academy trust	24	545,683
Increase in cash in the period		1,272,240

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

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**FOR THE ELEVEN MONTH PERIOD ENDED ENDED 31 AUGUST 2013**

	Eleven month period ended 31 August 2013 £
Increase in cash in the period	1,272,240
Movement in net funds in the period	1,272,240
Net funds at 31 August 2013	1,272,240

The notes on pages 24 to 47 form part of these financial statements.

KING ECGBERT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE ELEVEN MONTH PERIOD ENDED ENDED 31 AUGUST 2013

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2013 issued by the EFA, applicable accounting standards and the Companies Act 2006

1.2 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable 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 Department for Education where the asset acquired or created is held for a specific purpose

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education

Investment income, gains and losses are allocated to the appropriate fund

KING ECGBERT SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE ELEVEN MONTH PERIOD ENDED ENDED 31 AUGUST 2013

1 Accounting Policies (continued)

1.3 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability

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

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

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

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

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

1 Accounting Policies (continued)

1.4 Resources expended

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

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

Charitable activities are costs incurred in the academy's educational operations.

Governance costs include the costs attributable to the academy's compliance with constitutional and statutory requirements, including audit, strategic management and Governors' meetings and reimbursed expenses.

Depreciation is apportioned 85% and 15% to direct costs and support costs, respectively, to reflect the use of assets.

All resources expended are inclusive of irrecoverable VAT.

1.5 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 academy to continue as a going concern. The Governors make this assessment in respect of a period of one year from the date of approval of the financial statements.

1.6 Tangible fixed assets and depreciation

All assets costing more than £1,000 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 are carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy's depreciation policy.

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.

KING EGGERT SCHOOL
NOTES TO THE FINANCIAL STATEMENTS
FOR THE ELEVEN MONTH PERIOD ENDED 31 AUGUST 2013

1. Accounting Policies (continued)

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases

Long term leasehold property	-	Straight line over 60 years
Motor vehicles	-	Straight line over 35 months
Fixtures and fittings	-	Straight line over 35 months
Computer equipment	-	Straight line over 35 months

1.7 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.8 Taxation

The academy 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 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)

1.9 Pensions

Retirement benefits to employees of the academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes 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 25, 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 the 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 vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

1.10 Conversion to an academy trust

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

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

Further details of the transaction are set out in note 24.

KING ECGBERT SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE ELEVEN MONTH PERIOD ENDED 31 AUGUST 2013**

2 Voluntary income

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
Transfers from local authority on conversion	488,361	20,398,142	20,886,503
Donations	601	120,283	120,884
Voluntary income	488,962	20,518,425	21,007,387

3. Activities for generating funds

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
Other	196,825	-	196,825

4. Investment income

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
Investment income	11,416	-	11,416

5. Incoming resources from charitable activities

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
Education	-	6,605,139	6,605,139

KING ECGBERT SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE ELEVEN MONTH PERIOD ENDED 31 AUGUST 2013**

Funding for Academy's educational operations

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
DfE/EFA grants			
General Annual Grant	-	6,425,682	6,425,682
Pupil premium	-	115,217	115,217
Other	-	12,000	12,000
	-	6,552,899	6,552,899
Other government grants			
	-	-	-
Other funding			
Other government grants non capital	-	52,240	52,240
	-	52,240	52,240
	-	6,605,139	6,605,139

6 Costs of generating voluntary income

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
School fund expenditure	-	100,031	100,031
Staff costs	196,825	-	196,825
	196,825	100,031	296,856

KING ECGBERT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS
FOR THE ELEVEN MONTH PERIOD ENDED ENDED 31 AUGUST 2013

7. Analysis of resources expended by expenditure type

	Staff costs 2013 £	Premises 2013 £	Other costs 2013 £	Total 2013 £
Costs of generating voluntary income	196,825	-	100,031	296,856
Costs of generating funds	196,825	-	100,031	296,856
Direct costs	4,126,812	219,727	517,577	4,864,116
Support costs	339,552	91,374	1,244,449	1,675,375
Charitable activities	4,466,364	311,101	1,762,026	6,539,491
Governance	23,040	-	34,272	57,312
	4,686,229	311,101	1,896,329	6,893,659

8 Direct costs

	Unrestricted 2013 £	Restricted 2013 £	2013 £	2012 £
Wages and salaries	95,957	3,294,904	3,390,861	-
National insurance	-	268,554	268,554	-
Pension costs	-	481,177	481,177	-
Supply teachers	-	82,177	82,177	-
Depreciation	-	348,176	348,176	-
Educational supplies	-	196,121	196,121	-
Examination fees	-	124,050	124,050	-
Staff development	-	9,835	9,835	-
Pension finance costs (note 15)	-	50,000	50,000	-
Other costs	-	9,122	9,122	-
Total	95,957	4,864,116	4,960,073	-

KING ECGBERT SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE ELEVEN MONTH PERIOD ENDED ENDED 31 AUGUST 2013**

9. Support costs

	Unrestricted 2013 £	Restricted 2013 £	2013 £	2012 £
Wages and salaries	-	250,153	250,153	-
National insurance	-	18,813	18,813	-
Pension costs	-	42,550	42,550	-
Depreciation	-	61,441	61,441	-
Recruitment and other staff costs	-	12,150	12,150	-
PFI property costs	-	801,609	801,609	-
Rent and rates	-	52,598	52,598	-
Insurance	-	61,405	61,405	-
Catering	-	6,041	6,041	-
Technology costs	-	152,041	152,041	-
Bank interest and charges	-	114	114	-
Other costs	-	188,424	188,424	-
Other agency costs	-	28,036	28,036	-
Total	-	1,675,375	1,675,375	-

10. Governance costs

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
Internal audit costs	-	1,000	1,000
Auditors' remuneration	-	9,350	9,350
Auditors' non audit costs	-	550	550
Legal and Professional	-	22,849	22,849
Other costs	-	523	523
Wages and salaries	-	23,040	23,040
Total	-	57,312	57,312

KING EGBERT SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE ELEVEN MONTH PERIOD ENDED 31 AUGUST 2013**

11 Net Incoming resources

This is stated after charging

	Eleven month period ended 31 August 2013 £
Depreciation of tangible fixed assets - owned by the charity	409,617
Auditor's remuneration	9,350
Internal audit costs	1,000
Operating lease	1,572
	<hr/>

KING ECGBERT SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE ELEVEN MONTH PERIOD ENDED 31 AUGUST 2013**

12. Staff costs

Staff costs were as follows

	Eleven month period ended 31 August 2013 £
Wages and salaries	3,764,922
Social security costs	287,367
Other pension costs (Note 25)	523,727
	<hr/>
	4,576,016
Agency costs - teaching staff	82,177
Agency costs - other	28,036
	<hr/>
	4,686,229

The average number of persons (including the senior management team) employed by the academy during the eleven month period ended expressed as full time equivalents was as follows.

	Eleven month period ended 31 August 2013 No.
Teachers	75
Management	10
Admin and support	55
	<hr/>
	140

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

	Eleven month period ended 31 August 2013 No
In the band £ 60,001 - £ 70,000	1
In the band £120,001 - £130,000	1
	<hr/>
	2

The above employees participated in the Teachers' Pension Scheme. During the period ended 31 August 2013, pension contributions for these staff amounted to £26,667

KING ECGBERT SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE ELEVEN MONTH PERIOD ENDED 31 AUGUST 2013**

13. Governors' remuneration and expenses

The headteacher and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of headteacher and staff, and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the academy trust in respect of their role as Governors. The value of governors' remuneration during the period, including pension contributions, was as follows: L.A. Bowes £125,000-£130,000, J.R. Whitton £40,000-£45,000, A.I. Campbell £15,000-£20,000, D.M. Lawrance £20,000-£25,000, J. Rose £25,000-£30,000.

During the year, no Governors received any reimbursement of expenses.

14. 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 and the cost for the eleven month period ended 31 August 2013 was £301.

The cost of this insurance is included in the total insurance cost.

15. Other finance income

	Eleven month period ended 31 August 2013 £
Expected return on pension scheme assets	20,000
Interest on pension scheme liabilities	(70,000)
	<u>(50,000)</u>

KING ECGBERT SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE ELEVEN MONTH PERIOD ENDED 31 AUGUST 2013**

16. Tangible fixed assets

	Long term leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
Assets inherited on conversion	19,860,000	16,897	190,517	273,405	20,340,819
At 31 August 2013	19,860,000	16,897	190,517	273,405	20,340,819
Depreciation					
Charge for the eleven month period ended	258,503	5,310	59,877	85,927	409,617
At 31 August 2013	258,503	5,310	59,877	85,927	409,617
Net book value					
At 31 August 2013	19,601,497	11,587	130,640	187,478	19,931,202

Longterm leasehold property

On conversion to Academy status, Rotherham MBC's Land and Property Team were appointed to carry out a valuation of the land and buildings transferred to the Academy. The valuation was carried out on 1 October 2012

Inherited assets other than land and buildings

Motor vehicles, fixtures and fittings and computer equipment inherited on conversion have been shown at their assessed fair value. This has been allocated in the above note within assets inherited on conversion.

The majority of furniture used by the school is provided through the PFI agreement and so is not recognised as fixed assets.

17. Debtors

	2013 £
Trade debtors	10,503
Other debtors	3,156
Prepayments and accrued income	61,710
	<u>75,369</u>

KING ECGBERT SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE ELEVEN MONTH PERIOD ENDED 31 AUGUST 2013**

**18. Creditors:
Amounts falling due within one year**

	2013
	£
Trade creditors	60,926
Other taxation and social security	93,393
Other creditors	290
Accruals and deferred income	163,094
	<u>317,703</u>

Deferred income

Resources deferred during the year	<u>25,060</u>
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At the balance sheet date the academy was holding funds received in advance for devolved capital grants which relate to 2013/14

19. Statement of funds

	Brought Forward £	Incoming resources £	Resources Expended £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds					
General funds	-	697,203	(196,825)	-	500,378
Restricted funds					
GAG	-	6,425,682	(5,973,729)	-	451,953
Pupil premium	-	115,217	(115,217)	-	-
School fund	-	177,606	(100,031)	-	77,575
Conversion - legal costs	-	12,000	(12,000)	-	-
SEN grant	-	52,240	(52,240)	-	-
Pension reserve	-	-	(34,000)	(1,332,000)	(1,366,000)
	<u>-</u>	<u>6,782,745</u>	<u>(6,287,217)</u>	<u>(1,332,000)</u>	<u>(836,472)</u>
Restricted fixed asset funds					
Restricted Fixed Asset Funds - all funds	-	20,340,819	(409,617)	-	19,931,202
Total restricted funds	<u>-</u>	<u>27,123,564</u>	<u>(6,696,834)</u>	<u>(1,332,000)</u>	<u>19,094,730</u>
Total of funds	<u>-</u>	<u>27,820,767</u>	<u>(6,893,659)</u>	<u>(1,332,000)</u>	<u>19,595,108</u>

KING ECBERT SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE ELEVEN MONTH PERIOD ENDED 31 AUGUST 2013**

19. Statement of funds (continued)

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

Unrestricted funds

The unrestricted funds represent funds available to the governors to apply for the general purposes of the Academy

Restricted general funds

General Annual Grant (GAG) - The Academy's principal funding stream received from the Education Funding Agency. This must be used to fund the normal running costs of the Academy for the benefit of existing students

Pupil Premium - DfE funding to address the current underlying inequalities between children eligible for free school meals (FSM) and their wealthier peers by ensuring that funding to tackle the disadvantage reaches the pupils who need it most

School Fund - Funds received for activities, trips and fundraising which will be paid to suppliers and charities

Conversion - legal costs - A grant of £12,000 towards solicitors costs incurred during conversion to academy status specifically relating to PFI issues was provided by the DfE

SEN grant - Funding is provided by the Local Authority, weighted according to the severity of need, for additional support needed in a mainstream school to meet a pupil's identified special educational needs. In each case, the particular needs of the individual child determine the nature and extent of the additional support that is required

Defined benefit pension liability - The deficit on the Local Government Pension Scheme has been recognised against restricted funds in order to match it against GAG as recommended by the EFA Accounts Direction

Restricted fixed asset funds

Donation of assets on conversion - Assets donated to the Academy from the local authority on conversion

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

KING ECGBERT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE ELEVEN MONTH PERIOD ENDED 31 AUGUST 2013

Summary of funds

	Brought Forward £	Incoming resources £	Resources Expended £	Gains/ (Losses) £	Carried Forward £
General funds	-	697,203	(196,825)	-	500,378
Restricted funds	-	6,782,745	(6,287,217)	(1,332,000)	(836,472)
Restricted fixed asset funds	-	20,340,819	(409,617)	-	19,931,202
	-	27,820,767	(6,893,659)	(1,332,000)	19,595,108

20. Analysis of net assets between funds

	Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	Total funds 2013 £
Tangible fixed assets	-	-	19,931,202	19,931,202
Current assets	500,378	847,231	-	1,347,609
Creditors due within one year	-	(317,703)	-	(317,703)
Provisions for liabilities and charges	-	(1,366,000)	-	(1,366,000)
	500,378	(836,472)	19,931,202	19,595,108

21. Net cash flow from operations

	Eleven month period ended 31 August 2013 £
Net incoming resources before revaluations	20,927,108
Returns on investments and servicing of finance	(11,416)
Depreciation of tangible fixed assets	409,617
Increase in debtors	(75,369)
Increase in creditors	317,703
Cash donated on conversion to an academy trust	(545,683)
FRS 17 adjustments	34,000
Fixed assets donated on conversion	(20,340,819)
Net cash inflow from operations	715,141

KING ECGBERT SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE ELEVEN MONTH PERIOD ENDED 31 AUGUST 2013**

22. Analysis of cash flows for headings netted in cash flow statement

	Eleven month period ended 31 August 2013 £
<i>Returns on investments and servicing of finance</i>	
Interest received	11,416

23. Analysis of changes in net funds

	26 June 2012 £	Cash flow £	Other non-cash changes £	31 August 2013 £
Cash at bank and in hand	-	1,272,240	-	1,272,240
<i>Net funds</i>	-	1,272,240	-	1,272,240

24. Conversion to an academy trust

On 26 June 2012 King Egbert School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to King Egbert School from the Sheffield Local Authority for £nil consideration

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

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

KING ECBERT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE ELEVEN MONTH PERIOD ENDED 31 AUGUST 2013

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Leasehold land and buildings	-	-	19,860,000	19,860,000
- Other tangible fixed assets	-	-	480,820	480,820
Budget surplus/(deficit) on LA funds	488,361	-	-	488,361
Budget surplus/(deficit) on other school funds	-	57,322	-	57,322
LGPS pension surplus/(deficit)	-	(1,279,000)	-	(1,279,000)
Net assets/(liabilities)	<u>488,361</u>	<u>(1,221,678)</u>	<u>20,340,820</u>	<u>19,607,503</u>

The above net assets include £545,683 that were transferred as cash.

The academy has been granted a lease of 125 years from 1 October 2012 for land and buildings

25. Pension commitments

The academy's employees belong to two principal pension schemes the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by South Yorkshire Pensions Authority. Both are defined benefit schemes

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 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 eleven month period ended

Teachers' Pension Scheme

Introduction

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

The Teachers' Pension Budgeting and Valuation Account

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

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation

25. Pension commitments (continued)

Account, to be kept of receipts and expenditure (including the cost of pensions' increases) From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return

Valuation of the Teachers' Pension Scheme

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

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

KING ECBERT SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE ELEVEN MONTH PERIOD ENDED 31 AUGUST 2013**

25. Pension commitments (continued)

three and a half year period, for people who would fall just outside of the 10 year protection

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the eleven month period ended 31 August 2013 was £178,000, of which employer's contributions totalled £138,000 and employees' contributions totalled £40,000. The agreed contribution rates for future years are 12% for employers and 5% to 7.5% for employees.

As described in note 24 the LGPS obligation relates to the employees of the academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the eleven month period ended. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy at the balance sheet date.

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

The amounts recognised in the Balance Sheet are as follows:

	Eleven month period ended 31 August 2013 £
Present value of funded obligations	(1,884,000)
Fair value of scheme assets	518,000
Net liability	<u>(1,366,000)</u>

KING ECGBERT SCHOOL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE ELEVEN MONTH PERIOD ENDED 31 AUGUST 2013**

25. Pension commitments (continued)

The amounts recognised in the Statement of Financial Activities are as follows:

	Eleven month period ended 31 August 2013 £
Current service cost	(122,000)
Interest on obligation	(70,000)
Expected return on scheme assets	20,000
Total	(172,000)
Actual return on scheme assets	45,000

Movements in the present value of the defined benefit obligation were as follows

	Eleven month period ended 31 August 2013 £
Current service cost	122,000
Interest cost	70,000
Contributions by scheme participants	40,000
Actuarial losses	78,000
Liabilities assumed in a business combination	1,574,000
Closing defined benefit obligation	1,884,000

KING ECGBERT SCHOOL**NOTES TO THE FINANCIAL STATEMENTS
FOR THE ELEVEN MONTH PERIOD ENDED 31 AUGUST 2013****25. Pension commitments (continued)**

Movements in the fair value of the academy's share of scheme assets

	Eleven month period ended 31 August 2013 £
Expected return on assets	20,000
Actuarial gains and (losses)	25,000
Contributions by employer	138,000
Contributions by employees	40,000
Assets acquired in a business combination	295,000
	<u>518,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of Total Recognised Gains and Losses was £53,000

The academy expects to contribute £149,000 to its Defined Benefit Pension Scheme in 2014

The major categories of scheme assets as a percentage of total scheme assets are as follows

	2013
Equities	7.00 %
Government bonds	3.40 %
Other bonds	4.40 %
Property	5.70 %
Cash/liquidity	0.50 %
Other	7.00 %
Expenses deduction	0.22 %

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages).

	2013
Discount rate for scheme liabilities	4.60 %
Expected return on scheme assets at 31 August	5.86 %
Rate of increase in salaries	4.15 %
Rate of increase for pensions in payment / inflation	2.40 %
Inflation assumption (CPI)	2.40 %

KING ECGBERT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE ELEVEN MONTH PERIOD ENDED 31 AUGUST 2013

25 Pension commitments (continued)

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

	2013
Retiring today	
Males	21.8
Females	24.7
Retiring in 20 years	
Males	23.7
Females	26.6

Amounts for the current period are as follows

Defined benefit pension schemes

	2013
	£
Defined benefit obligation	(1,884,000)
Scheme assets	518,000
Deficit	(1,366,000)
Experience adjustments on scheme liabilities	(78,000)
Experience adjustments on scheme assets	25,000

26 Operating lease commitments

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

	Land and buildings 2013 £	Other 2013 £
<i>Expiry date:</i>		
Within 1 year	-	1,572

KING ECGBERT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE ELEVEN MONTH PERIOD ENDED 31 AUGUST 2013

27. Financial commitments under PFI arrangements

At 31 August 2013 the academy was committed to making annual payments under PFI arrangements as follows

Expiry date	Buildings and equipment 2013 £	I.C.T 2013 £
Within one year	-	-
Within two and five years inclusive	-	168,971
In over five years	874,615	-
Total	874,615	168,971

28. Related party transactions

Owing to the nature of the academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a Governor has 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

The following related party transactions took place during the period:

L A. Bowes, headteacher, is the Executive Head at Newfield School. During the period income of £83,454 was received from Newfield School relating to staff salary charges, and £840 in relation to various miscellaneous expenses. At the period end £7,860 was due from Newfield School and has been included within debtors above.