

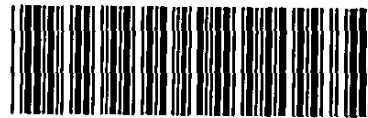
**Samuel Ward
(A Company Limited by Guarantee)**

Annual Report and Financial Statements

Period ended 31 August 2011

THURSDAY

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A41	14/06/2012	#194
COMPANIES HOUSE		
L10	31/05/2012	#140
COMPANIES HOUSE		

**Company Registration Number:
7400386 (England & Wales)**

Samuel Ward

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Samuel Ward

Reference and Administrative Details of the Academy, its Governors and Advisors

Governors/Directors/Trustees

* = members of the Finance and Premises committee

Peter Thomas*
Adrian Morgan*
Robert Shepstone*
Howard Lay
June McNaughton
Damian Howard*
John Eccleston*
Lisa McGerty
Simon Ash
Tim Nash*
Julie Warner*
Linda Maidment*
Kate McDowell*
Peter Sprot
Vicky Jury
K Staddon
E Hunte

Members

Peter Thomas
Robert Shepstone
Linda Maidment

Secretary

Peter Thomas

Senior Managers

- Headteacher
 - Deputy Headteacher
 - Deputy Headteacher
- Director of Finance

Howard Lay
Mark McCullough
Andy Prestoe
Debbie Willson

Registered Office

Chalkstone Way
Haverhill
Suffolk
CB9 0LD

Company Registration Number

7400386

Auditors

Crowe Clark Whitehill LLP
St Bride's House
London
EC4Y 8EH

Bankers

Lloyds TSB
8 High Street
Haverhill
Suffolk
CB9 8BA

Solicitors

Stone King
Wellington House
East Road
Cambridge
CB1 1BH

Samuel Ward

Governors' Report

The governors present their annual report together with the financial statements and auditors' report of the charitable company for the period ended 31 August 2011

The financial statements have been prepared in accordance with the accounting policies on pages 14 to 16 of the attached financial statements, and comply with the charitable company's memorandum and articles of association, the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" as issued in March 2005 (SORP 2005)

Structure, Governance and Management

Constitution

The Academy Trust is a company limited by guarantee (registration number 7400386) and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the Academy Trust.

Three directors have been appointed of the Charitable Company for the purposes of company law. Sixteen governors act as the trustees for the charitable activities of Samuel Ward. The Charitable Company is known as Samuel Ward.

Details of the governors who served throughout the period except as noted are included in the Reference and Administrative Details on page 3.

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.

Governors' Indemnities

There were no provisions required for third party indemnity.

Method of Recruitment and Appointment or Election of Governors

The management of the company is the responsibility of the governors who are appointed under the terms of the Articles of Association.

Governors are subject to retirement after a term of 4 years. After the term they are eligible for re-election at the meeting at which they retire.

Policies and Procedures Adopted for the Induction and Training of Governors

Governors have determined that the induction and training of Governors is provided by Suffolk County Council Governor training services and have adopted their handbook and policies.

Organisational Structure

The management structure consists of three levels, the Governors, Governing Body Committees and the Leadership Team.

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. Committees of the Governing body have delegated responsibilities. Committees exist for, Steering Committee, Teaching and Learning Committee, Community Committee, Finance and Premises Committee, Hearings Committee, Appeals Committee, Pupil Discipline Committee and Admissions Committee.

The Leadership team consists of the Principal, 2 Vice Principals, 6 Achievement Directors. These managers control the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them. The Headteacher is the Accounting Officer.

Samuel Ward

Governors' Report (continued)

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 (eg in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (eg vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) 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 following statement.

The governors have considered the need for a specific internal audit function and have decided not to appoint an internal auditor. However, the governors have appointed CSD to undertake a Responsible Officer Service. As permitted by the DfE Financial Handbook for Academies, this task has been outsourced to CSD. On a quarterly basis CSD undertake an independent review of the financial systems and provide a written report providing feedback on how the Academies Financial affairs are being discharged. The written report includes action points identifying any areas for improvement.

This provides the Governing body with assurance that -

- the financial responsibilities of the governing body are being properly discharged,
- resources are being managed in an efficient, economical and effective manner,
- sound systems of internal financial control are being maintained, and
- financial considerations are fully taken into account in reaching decisions.

These arrangements can provide only reasonable and not absolute assurance that assets are safe guarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

As an Academy School, the level of financial risk mainly occurs around certainty of year on year funding, cash flow and actuarial assessed pension fund deficit.

School have identified these areas and manages the impact of cash flow by projecting cash flow based on cash in flows and outflows at the start of the year and reviewing bank. Future budgets are monitored in line with staffing levels/costs. School is repaying pension deficit as per the actuary advice for Suffolk Pension Fund over 7 years.

Connected Organisations, including Related Party Relationships

The Academy Trust is part of a soft federation of schools called The Samuel Ward Partnership. It consists of 8 Primary Schools.

Westfield Primary School, Kedington Primary School, New Cangle Primary School, Coupals Primary School, Wichambrook Primary School, Thurlow Primary School, Hundon Primary School, Clare Primary School. The Partnership is Governed by a steering group comprising representative Governors and leadership team members from each school and is funded by an agreed amount of money per capita. The objectives of the partnership are to create coherence of provision across the federation, ensure standards continue to improve and that every school strives for outstanding in Ofsted. The Academy Trust also works with West Suffolk College in order to develop its vocational provision, Castle Manor Community School on specific Post 16 courses and Enhancing independent learning.

- * Being innovative and creative
- * Developing and using new technologies

Objectives, Strategies and Activities

- To improve outcomes for boys at KS4
- To improve the level of A* - C grades including English and Maths
- To ensure that the number of pupils gaining A*/A grades significantly increases
- To further improve Post 16 outcomes
- To develop and implement a new Key Stage 3 curriculum
- To implement a new approach to tutorials and the role of the tutor across the school
- To increase the % of outstanding lessons
- To reduce exclusions and increase attendance
- To review school values
- To increase progression post 16 and % going to HE
- To restructure pupil groupings in order to integrate years 7 and 8

Public Benefit

The Academy Trust governors have complied with their duty to have due regard to the guidance on public benefit as published by the Charity Commission

Achievements and Performance

The Academy has had a hugely successful year meeting most of the objectives it set

- Outcomes for boys at GCSE matched those of girls showing a significant increase
- 5 A* - C grades including English and maths reached 63% - significantly above the national average and amongst the highest in the Local Authority in relation to value added
- The number of pupils obtaining A*/A grades increased significantly
- Post 16 outcomes were above the national average on all key measures including 75% whom gained A*-C grades at A level
- The new Key Stage 3 curriculum was implemented
- New approaches to meeting time have been implemented
- The % of outstanding lessons has increased and the Academy judges itself as outstanding in teaching
- Exclusions have been hugely reduced and attendance has risen to above the national average
- The uptake for post 16 has increased as have the numbers attending university of HE
- Values have been reviewed and embedded
- The role of the tutor has significantly developed
- The Samuel Ward partnership has led to a federation with 8 local primary schools

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

Key Financial Performance Indicators

Samuel Ward converted to Academy status in November 2010 a school rated 'outstanding' by OFSTED in September 2008

The total number of students on role in the year ended 31st August 2011 numbered 850 (includes 210 6th form)
From 1st September 2010 the Academy has a PAN (Pupil Admissions Number) each year of

Academic Year	Year 7	Year 8	Year 9	Year 10	Year 11
2010			220	220	220
2011	190	190	190	220	220

Financial Review

Most of the Academy's income is obtained from the YPLA in the form of recurrent grants, the use of which is restricted to particular purposes. These grants received from the YPLA during the year ended 31st August 2011 and the associated expenditure are shown as restricted funds in the statement of financial activities

The Academy also has been in receipt of capital grants from the DfE through the bid process for Capital maintenance fund. 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

Samuel Ward**Governors' Report (continued)**

During the year ended 31st August 2011, total expenditure of £4,805,045 was covered by recurrent grant funding from the DfE together with other incoming resources. The over spend for the year (excluding restricted fixed asset and restricted pension funds) was £70,874. The Academy has agreed a cash flow advance with the YPLA to support the funding shortfall due to the implementation of the Schools Organisation Review (SOR) during which Samuel Ward took on two new year groups from September 2011. Although Suffolk County Council made provision for a new build, they did not provide adequate capital to equip the new build and to enhance existing facilities to meet the new demand. As a result the school has taken out the advance to ensure adequate IT infrastructure (£81,561), new furniture and fittings (£54,412) and modifications to existing music, English and technology infrastructure (£66,562). This investment has resulted in an outstanding transition for new pupils in years 7, 8 and 9 and will be paid back by August 2012 from expected additional income as a result of additional pupils.

The Academy held fund balances at 31st August 2011 of £10,164,420 comprising of restricted & unrestricted funds. £10,471,294 relate to the restricted fixed asset fund and a pension reserve deficit of £236,000. Samuel Ward also held a deficit balance of unrestricted funds of £88,777, a deficit balance of General Annual Grant of £4,945 and an unspent balance of general restricted funds of £22,848.

Samuel Ward will receive an increased GAG allocation 2011/12 to reflect the increased numbers of year groups on roll. This will be used to finance the GAG deficit of 2010/11. The unrestricted fund deficit will be further reduced by income from services provided for example consultancy work provided by The Principal for The Academies Enterprise Trust.

At 31st August 2011 the net book value of fixed assets was £10,678,100 and movements in tangible fixed assets are shown in the 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.

Upon Academy conversion and during the course of the year, a number of assets have been recognised as gifted to the Academy. These include fixed assets £10,429,033. Upon closure of the Local Authority School delegated budget was overspent by £130,232. In accordance with FRS17, the Academy received an actuarial assessment of pension scheme deficit. The deficit balance is included within the balance sheet as at 31st August 2011 and supporting note 24 to the accounts.

Reserves Policy

Governors expect to maintain a positive balance of General Annual Grant and to use the grant in the period that it has been granted to ensure no claw back. The Governors have determined that a surplus of unrestricted funds equivalent to one month's total salary commitment should be saved up to enable the school to react to budget changes within a manageable period without the use of cash flow advances from YPLA and that will support the plans in the future detailed below.

Plans for Future Periods

Over the year the Academy will focus on the following key objectives:

Enjoyable Learning

- Ensure that teaching is outstanding overall
- Ensure that VLE and ICT improve outcomes and meet needs of Teachers and Learners
- Ensure that the Post 16 curriculum meets needs of all learners
- Ensure that the new policy on T & L is fully implemented
- Ensure that Meeting Time is fully implemented and as a result pupils gain greater confidence and independence

Inclusive Learning

- Aim to reduce exclusions to zero
- Increase attendance to 96%
- Increase the participation post 16 to 60% in school and 90% overall and significantly reduce those NEET – 1%
- 70% of Year 11 return to Year 12
- 70% of Year 12 to progress to Year 13
- 50% of Year 13 progress to HE

Community Learning

- Implement a model of 0 – 19 learning sustained by a federation or trust
- Increase on site integrated support services and integrate business and community experts into the curriculum
- Extend Enrichment and extended school provision
- Develop the role of Learning Coach and further aspiration and learning
- Support partner schools to improve outcomes

Value Based Learning

- Increased learner enterprise and community engagement skills

- Play a lead role in building town/community learning capacity
- Increase links with Schools across the world
- Gain Internationalism status
- Strengthen links with the local churches
- Further integrate assemblies, PSHE and Meeting Time approaches
- Further Develop House integration, identity and competition

Statement of Trustees' Responsibilities

The trustees (who act as trustees for charitable activities of Samuel Ward 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 Young People's Learning Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees 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 trustees are required to

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

The trustees 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 trustees 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 YPLA/DfE have been applied for the purposes intended.

Approved by order of the members of the Governing Body on 6th March and signed on its behalf by

Signed



Peter Thomas
Director and Chair of Governors

Samuel Ward

Statement on Internal Control

Scope of Responsibility

As governors, we acknowledge we have overall responsibility for ensuring that Samuel Ward 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 Samuel Ward and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives, it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Academy's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Samuel Ward for the period ended 31 August 2011 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 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 the key risks as a Local Authority school have been identified and managed by the adoption of policies and procedures. Many of these at the point of conversion were adopted with minor adaptations to recognise the increased responsibilities that exist for the Academy. In addition, the new risks eg compliance with company law were recognised through appropriate support from the Responsible Officer for the period ending 31 August 2011 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body. The Governing Body however recognises that this needs to be a key area of development and has a clear plan in place to undertake a complete and formal risk assessment for the year ahead.

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 Governing Body,
- regular reviews by the Finance and Premises Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes,
- setting targets to measure financial and other performance,
- clearly defined purchasing (asset purchase or capital investment) guidelines,
- delegation of authority and segregation of duties,
- 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 utilise the Responsible Officer (RO) service provided by Customer Service Direct (CSD). The RO's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. On a quarterly basis, CSD conducts a review and provides a written report and action plan to the RO reporting to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

Samuel Ward

Statement on Internal Control (continued)

Review of Effectiveness

As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the period his 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 senior 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 and Premises Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place

Approved by order of the members of the Governing Body on 6th March 2012 and signed on its behalf by

Signed



Peter Thomas
Director and Chair of Governors

Signed



Howard Lay
Accounting Officer

Independent Auditor's Report to the Members of Samuel Ward Academy

We have audited the financial statements of Samuel Ward Academy for the period ended 31 August 2011 which comprises the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes numbered 1 to 25

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 Annual Accounts Direction [2010/11] issued by the Young Peoples' Learning Agency

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of governors and auditor

As explained more fully in the Statement of Governors' Responsibilities, the governors (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, 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 charitable company's affairs as at 31 August 2011 and of its incoming resources and application of resources, including its income and expenditure for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including the Annual Accounts Direction [2010/11] issued by the Young Peoples' Learning Agency, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Young Peoples' Learning Agency/Department for Education

In our opinion the grants received from the Young Peoples' Learning Agency/Department for Education have been applied for the intended purpose

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or
- 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



Tina M Allison

Senior Statutory Auditor

For and on behalf of

Crowe Clark Whitehill LLP

Statutory Auditor

St Bride's House

London

EC4Y 8EH

Date *24 April 2012*

Samuel Ward Registration Number 7400386

STATEMENT OF FINANCIAL ACTIVITIES(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)
For the period ended 31 August 2011

	Notes	Unrestricted Funds	Restricted General Funds	Restricted Pension Fund	Restricted Fixed Asset Funds	Total 2011
		£	£	£	£	£
Incoming resources						
<i>Incoming resources from generated funds</i>						
- Voluntary Income	3	5,627	75,245	-	10,340,183	10,421,055
- Activities for generating funds	4	107,957	20,420	-	-	128,377
Investment Income	5	141	-	-	-	141
<i>Incoming resources from charitable activities</i>						
- Funding for the Academy's educational operations	6	-	4,016,607	-	276,139	4,292,746
- Other Income	4	-	62,146	-	-	62,146
Total incoming resources		113,725	4,174,418	-	10,616,322	14,904,465
Resources expended						
<i>Cost of generating funds</i>						
- Costs of generating voluntary income		-	-	-	-	-
<i>Charitable activities</i>						
- Academy's educational operations	8	202,502	3,997,280	399,000	145,028	4,743,810
<i>Governance costs</i>	9	-	61,235	-	-	61,235
Total resources expended	7	202,502	4,058,515	399,000	145,028	4,805,045
Net incoming/(outgoing) resources before transfers		(88,777)	115,903	(399,000)	10,471,294	10,099,420
Gross transfers between funds	24	-	(98,000)	98,000	-	-
Net income/(expenditure) for the year		(88,777)	17,903	(301,000)	10,471,294	10,099,420
Other recognised gains and losses						
Actuarial gains (losses) on defined benefit pension schemes	17,24	-	-	65,000	-	65,000
Net movement in funds		(88,777)	17,903	(236,000)	10,471,294	10,164,420
Funds carried forward at 31 August 2011		(88,777)	17,903	(236,000)	10,471,294	10,164,420

All of the Academy's activities derive from continuing operations during the financial period. A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

Samuel Ward Registration Number 7400386
BALANCE SHEET at 31 August 2011

	Notes	2011 £
Fixed Assets		
Tangible assets	13	10,678,100
Current assets		
Debtors	14	467,597
Cash at bank and in hand		95,793
		<u>563,390</u>
Current Liabilities		
Creditors Amounts falling due within one year	15	(788,944)
Net current assets (liabilities)		<u>(225,554)</u>
Total assets less current liabilities		<u>10,452,546</u>
Creditors amounts falling due after more than one year	15	<u>(52,126)</u>
Net assets excluding pension liability		<u>10,400,420</u>
Pension scheme liability	24	(236,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY		<u><u>10,164,420</u></u>
Funds of the Academy		
Restricted funds		
- Fixed asset fund	16	10,471,294
- General funds	16	17,903
- Pension reserve	16	(236,000)
Total restricted funds		<u>10,253,197</u>
Unrestricted funds		
- General fund	16	(88,777)
Total unrestricted funds		<u>(88,777)</u>
TOTAL FUNDS		<u><u>10,164,420</u></u>

The financial statements on pages 13 to 31 were approved by the Governors, and authorised for issue on 6th March 2012 and are signed on their behalf by

Signed


Peter Thomas
 Director and Chair of Governors

Samuel Ward Registration Number: 7400386

Cash Flow Statement for the period ended 31 August 2011

	Notes	2011
		£
Net cash inflow from operating activities	19	302,457
Returns on investments and servicing of finance	20	141
Capital expenditure	21	<u>(206,805)</u>
Increase in cash in the period	22	<u>95,793</u>
 Reconciliation of net cash flow to movement in net funds		
Net funds at 1 November 2010	22	<u>0</u>
Net funds at 31 August 2011		<u>95,793</u>

Samuel Ward

Notes to the Financial Statements for the period Ended 31 August 2011

1. Statement of Accounting Policies

Basis of Preparation

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

Going Concern

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

Incoming Resources

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

- **Grants receivable**

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

- **Sponsorship income**

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

- **Donations**

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

- **Other income**

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

- **Donated Services and gifts in kind**

The value of donated services and gifts in kind provided to the Academy Trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy Trust 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 Academy Trust's policies.

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.

Samuel Ward

Notes to the Financial Statements for the Year Ended 31 August 2011 (continued)

1 Statement of Accounting Policies (continued)

- **Costs of generating funds**

These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds

- **Charitable activities**

These are costs incurred on the Academy Trust's educational operations

- **Governance Costs**

These include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management and Governor's meetings and reimbursed expenses

All resources expended are inclusive of irrecoverable VAT

Tangible Fixed Assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful lives, as follows

Buildings	2%
Furniture and equipment	10%
Computer Equipment and software	33%
Motor Vehicles	20%

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 under operating leases are charged on annual and quarterly basis over the lease term.

Stock

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

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.

Samuel Ward

Notes to the Financial Statements for the Year Ended 31 August 2011 (continued)

1 Statement of Accounting Policies (continued)

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

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 27, 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 period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

Fund Accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Young People's Learning Agency, Department for Education or other funders 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 Young People's Learning Agency and Department for Education.

Samuel Ward

Notes to the Financial Statements for the period ended 31 August 2011 (continued)

2 General Annual Grant

	2011 £
a Results and carry forward for the year	
GAG brought forward from previous year	0
GAG allocation for current year	3,662,334
Total GAG available to spend	3,662,334
 Recurrent expenditure from GAG	 3,569,279
Total GAG expenditure	3,569,279
 Transfer of pension contributions to unrestricted fund	 98,000
GAG carried forward to next year	(4,945)

A transfer from GAG to the pension reserve of £98,000 has been made. This represents the cost of employer contributions towards the Local Government Pension Scheme.

GAG is shown as overspent for the period due to late notification of claw back of funding from YPLA in the amount of £20,792.

Samuel Ward has made a number of fixed asset purchases during the period relating to, SOR amounting to £162,756 and other fixed asset purchases in the amount of £54,965. All of these capital costs are due to be financed from 2011/12 GAG funding.

3 Voluntary Income

	Unrestricted Funds £	Restricted Funds £	Total 2011 £
Donations	5,627	7,257	12,884
Gifted net assets on opening	-	7,029,151	7,029,151
Gifted Assets during the period	-	3,311,032	3,311,032
Restricted Fund balance Transfer from LA	-	67,988	67,988
	5,627	10,415,428	10,421,055

4 Other Income

	Unrestricted Funds £	Restricted Funds £	Total 2011 £
ACTIVITIES FOR GENERATING FUNDS			
Hire of facilities	5,784	-	5,784
Income from services provided	46,151	20,420	66,571
Items sold	56,022	-	56,022
	107,957	20,420	128,377
 OTHER INCOMING RESOURCES			
Academy trips	-	62,146	62,146
	-	62,146	62,146
TOTAL OTHER INCOME	107,957	82,566	190,523

Samuel Ward

Notes to the Financial Statements for the period ended 31 August 2011 (continued)

5 Investment Income

	Unrestricted Funds	Restricted Funds	Total 2011
	£	£	£
Bank Interest	141	-	141
	<u>141</u>	<u>-</u>	<u>141</u>

6 Funding for Academy's educational operations

	Unrestricted Funds	Restricted Funds	Total 2011
	£	£	£
DfE / YPLA Capital Grants			
School Organisation Review		39,778	39,778
Devolved Formula Capital	-	18,361	18,361
PfS Capital Maintenance Grant	-	218,000	218,000
Total	<u>-</u>	<u>276,139</u>	<u>276,139</u>
DfE / YPLA Revenue Grants			
General Annual Grant (note 2)	-	3,662,334	3,662,334
Other DfE / YPLA grants	-	66,558	66,558
Standards Funds	-	65,704	65,704
Total	<u>-</u>	<u>3,794,596</u>	<u>3,794,596</u>
Other Government Grants			
Schools Organisation Review	-	45,209	45,209
Special educational projects	-	176,802	176,802
Total	<u>-</u>	<u>222,011</u>	<u>222,011</u>
TOTAL FUNDING	<u>-</u>	<u>4,292,746</u>	<u>4,292,746</u>

Samuel Ward

Notes to the Financial Statements for the period ended 31 August 2011 (continued)

7 Resources Expended

	Staff Costs	Non Pay Expenditure		Total 2011
		Premises	Other Costs	
	£	£	£	£
Costs of generating voluntary income				
Costs of activities for generating funds	-	-	-	-
Academy's educational operations				
-Direct costs	2,435,300	145,028	403,494	2,983,822
-Allocated support costs	682,075	195,109	230,729	1,107,913
-Other expenditure	45,029	-	607,046	652,075
	<u>3,162,404</u>	<u>340,137</u>	<u>1,241,269</u>	<u>4,743,810</u>
Governance costs (including allocated support costs)	-	-	61,235	61,235
	<u>3,162,404</u>	<u>340,137</u>	<u>1,302,504</u>	<u>4,805,045</u>
Incoming / outgoing resources for the year include.				2011
				£
Operating leases				44,629
Fees payable to auditor - audit				7,900

Samuel Ward

Notes to the Financial Statements for the period ended 31 August 2011 (continued)

8 Charitable Activities - Academy's educational operations

	Unrestricted Funds £	Restricted Funds £	Total 2011 £
DIRECT COSTS			
Teaching and educational support staff costs	-	2,435,300	2,435,300
Teaching resources (books, stationery etc)	-	205,075	205,075
Transport	-	24,864	24,864
Examination Fees	-	78,050	78,050
Staff Development	25,000	31,202	56,202
Depreciation	-	145,028	145,028
Educational Consultancy	-	2,045	2,045
Special Facilities	-	36,121	36,121
Agency teaching staff	-	1,137	1,137
	25,000	2,958,822	2,983,822
SUPPORT COSTS			
Support staff costs	-	682,075	682,075
Pupil recruitment and support	-	9,473	9,473
Maintenance of premises and equipment	-	79,676	79,676
Cleaning	-	1,833	1,833
Rent, rates and water	-	5,707	5,707
Heat and light	-	55,375	55,375
Insurance	-	52,518	52,518
Travel and subsistence	-	8,132	8,132
Catering	-	3,097	3,097
Technology costs	-	126,359	126,359
Bank interest and charges	-	439	439
Supplies, printing and telephone	-	83,229	83,229
	-	1,107,913	1,107,913
OTHER EXPENDITURE			
Schools Organisation Review	-	45,209	45,209
LA closing balance	130,232	-	130,232
Academy Trips	-	76,814	76,814
Educational items for re-sale	46,453	-	46,454
Other GAG expenditure	-	18,077	18,077
Other expenses	817	-	817
Exchange program	-	27,473	27,473
Pension finance costs	-	5,000	5,000
Pension fund liability inherited	-	302,000	302,000
	177,502	474,573	652,075
Total	202,502	4,541,308	4,743,810

Samuel Ward

Notes to the Financial Statements for the year ended 31 August 2011 (continued)

9 Governance costs

	Unrestricted Funds	Restricted Funds	Total 2011
	£	£	
Auditors' remuneration - audit of financial statements	-	7,900	7,900
Legal and professional fees	-	53,335	53,335
	-	61,235	61,235

10 Staff costs

	2011 £
Staff costs during the period were	
Wages and salaries	2,580,443
Social security costs	191,311
Other pension costs	360,487
Other indirect staff costs	30,154
	<u>3,162,395</u>
<i>of which.</i>	
Supply teachers costs	12,341

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

	2011 No
Charitable Activities	
Teaching staff	46
Administration & Support staff	55
Management	<u>8</u>

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

	2011 No
£60,001 - £70,000	1
£70,001 - £80,000	-
£80,001 - £90,000	1
	<u>2</u>

2 of the above employees participated in the Teachers' Pension Scheme. During the period ended 31 August 2011, pension contributions for these staff amounted to £21,204

Samuel Ward**Notes to the Financial Statements for the period ended 31 August 2011 (continued)****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, from the Academy in respect of their role as governors. The value of the Principal's remuneration was £71,970 in 2011.

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 £1,000,000 on any one claim and the cost for the year was £530.

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

13 Tangible Fixed Assets

	Freehold Buildings	Freehold Land	Furniture and Equipment	Computer Equipment	Total
	£		£	£	£
Cost					
Additions	10,658,026	-	35,791	129,311	10,823,128
At 31 August 2011	10,658,026	-	35,791	129,311	10,823,128
Depreciation					
Charged in year	129,062	-	854	15,112	145,028
At 31 August 2011	129,062	-	854	15,112	145,028
Net book values					
At 31 August 2011	10,528,964	-	34,937	114,199	10,678,100

Additions for the period include £7,029,151 value of gifted buildings from foundation on Academy opening, £3,399,882 SOR building June 2011, £136,596 capital maintenance fund acquisitions, £202,534 SOR related acquisitions purchased by Samuel Ward, £54,965 GAG capital purchases and

Samuel Ward received a contribution towards SOR of which £39,778 has been applied to fixed assets (see note 6). The balance of fixed asset financing of £162,756 and other fixed asset acquisitions of £54,965 will be made from GAG in 2011/12 financial

Samuel Ward

Notes to the Financial Statements for the year ended 31 August 2011 (continued)

14 Debtors

	Total 2011
	£
Trade debtors	6,483
Prepayments	20,155
Other debtors	364,605
VAT Debtor	76,354
	<u>467,597</u>

15 Creditors amounts falling due within one year

	2011
	£
Current	
Trade creditors	249,550
Other creditors	353,930
Accruals and deferred income	185,464
	<u>788,944</u>
Non-current creditors	
Balances of loans re-payable after 31 Aug 12	<u>52,126</u>
Deferred Income (included in the above)	
Resources deferred in the year	17,565
Deferred income at 31st August 2011	<u>17,565</u>

Loans repayable are interest free and unsecured

Samuel Ward

Notes to the Financial Statements for the year ended 31 August 2011 (continued)

16 Statement of Funds

	Incoming Resources	Resources Expended	Transfers in/out	Gains/ (Losses)	Balance at 31 August 2011
	£	£	£	£	£
Restricted general funds					
General Annual Grant (GAG)	3,662,334	(3,569,279)	(98,000)	-	(4,945)
SOR	45,209	(45,209)	-	-	0
Other DfE / YPLA grants	132,261	(122,191)	-	-	10,070
Other restricted funds	334,614	(321,836)	-	-	12,778
	4,174,418	(4,058,515)	(98,000)	-	17,903
Restricted Pension Fund					
Pension reserve	-	(399,000)	98,000	65,000	(236,000)
	-	(399,000)	98,000	65,000	(236,000)
Restricted fixed asset funds					
DfE / YPLA capital grants	236,361	-	-	-	236,361
SOR	39,778	-	-	-	39,778
Capital expenditure from GAG	-	(16,542)	-	-	(16,542)
Capital expenditure from other funds	10,340,183	(128,486)	-	-	10,211,697
	10,616,322	(145,028)	-	-	10,471,294
Total restricted funds	14,790,740	(4,602,543)	-	65,000	10,253,197
Unrestricted funds					
Unrestricted funds	113,725	(202,502)	-	-	(88,777)
Total unrestricted funds	113,725	(202,502)	-	-	(88,777)
Total funds	14,904,465	(4,805,045)	-	65,000	10,164,420

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

Samuel Ward received main grant funding from general annual grant in the amount of £3,662,334. Recurrent expenditure and pension contributions were financed from general annual grant amounting to an over spend of £4,945 for the period to 31st August 2011. This is scheduled to be recovered by 31st August 2012. Fixed asset purchases relating to SOR £162,756 and other fixed asset purchases made during the period amounting to £54,965 are due to be financed by GAG in 2011/12.

Unrestricted funds have been used to finance the deficit local authority predecessor school balance of £130,232. Other funds received are education sales items and incomes from services provided. The closing balance of the unrestricted fund is due to be recovered by 31st August 2012.

Samuel Ward have received government grant funds for Advanced Skills Teacher fund £64,375, School Development Grant £44,824, Activities for All £12,922, all of which have been fully expended during the period. A bursary fund of £10,070 was received and remains unspent and will be expended during 2011/12 academic year.

Samuel Ward have also received a number of restricted funds to run a number of special education projects relating to foreign exchange program with Chinese study centre £60,922, HYPHOP £29,410 (Helping Young People Have Opportunities to Progress), training and development grant £12,500, diploma funding £16,490, one to one tuition £22,108, college of learning £6,700, all of which have been fully expended during the period.

Samuel Ward received funding towards Schools Organisation Review (SOR) in the amount of £84,987. This receipt has been used to finance start up revenue costs for direct staff costs of £45,209. The balance of this receipt has been used to finance £39,778 of the SOR capital costs of £202,534. The balance of SOR is due to be financed by GAG in 2011/12 financial year in the amount of £162,756.

Samuel Ward

Notes to the Financial Statements for the period ended 31 August 2011 (continued)**17 Analysis of net assets between funds**

Fund balances at 31 August 2011 are represented by

	Unrestricted funds	Restricted general funds	Restricted fixed asset funds	Total funds
	£		£	£
Tangible fixed assets	-	-	10,678,100	10,678,100
Current assets	(26,533)	704,883	(114,959)	563,391
Current liabilities	(62,244)	(686,980)	(2,997)	(752,221)
Non-Current liabilities	-	-	(88,850)	(88,850)
Pension scheme liability	-	(236,000)	-	(236,000)
Total net assets	(88,777)	(218,097)	10,471,294	10,164,420

18 Financial commitments**Operating leases**

At 31 August 2011 the Academy had annual commitments under non-cancellable operating leases as follows

	£
- Expiring within one year	12,927
- Expiring within two and five years inclusive	21,399
	<u>34,326</u>

19 Reconciliation of net income to net cash inflow from operating activities

	2011 £
Net income	10,401,420
Depreciation (note 13)	145,028
Capital grants from DfE and other capital income	(10,616,322)
Interest receivable	(141)
FRS 17 pension costs less contributions payable (note 27)	(6,000)
FRS 17 pension pension finance income (note 27)	5,000
(Increase)/decrease in debtors	(467,597)
Increase/(decrease) in creditors	841,070
Net cash inflow from operating activities	302,457

20 Returns on investments and servicing of finance

	2011 £
Interest received	141
Net cash inflow from returns on investments and servicing of finance	141

21 Capital expenditure and financial investment

	2011 £
Purchase of tangible fixed assets	(482,944)
Capital grants from DfE/YPLA	276,139
Receipts from sale of tangible fixed assets	-
Net cash outflow from capital expenditure and financial investment	(206,805)

Samuel Ward

Notes to the Financial Statements for the year ended 31 August 2011 (continued)

22 Analysis of changes in net funds

	At 1 November 2010	Cash flows	At 31 August 2011
	£	£	£
Cash at bank and in hand	-	95,793	95,793
	<u>-</u>	<u>95,793</u>	<u>95,793</u>

23 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

Samuel Ward

Notes to the Financial Statements for the period ended 31 August 2011 (continued)

24 Pension and similar obligations

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Suffolk County Council Pension Fund. All are defined-benefit schemes.

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

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

Teachers' Pension Scheme

The TPS is an unfunded defined benefit scheme. Contributions on a "pay-as-you-go" basis are credited to the Exchequer under arrangements governed by the Superannuation Act 1972. A notional asset value is ascribed to the scheme for the purpose of determining contribution rates.

The pensions cost is normally assessed no less than every four years in accordance with the advice of the Government Actuary. The assumptions and other data that have the most significant effect on the determination of the contribution levels are as follows:

Latest actuarial valuation (under the new provisions)	31 March 2004
Actuarial method	Prospective benefits
Investment returns per annum	6.5 per cent per annum
Salary scale increases per annum	5.0 per cent per annum
Notional value of assets at date of last valuation	£162,650 million
Proportion of members' accrued benefits covered by the notional value of the assets	98.88%

Following the implementation of Teacher's Pension (Employers' Supplementary Contributions) Regulations 2000, the Government Actuary carried out a further review on the level of employer contributions. For the period from 1 September 2010 to 31 August 2011 the employer contribution was 14.1%. The employee rate was 6.4% for the same period. An appropriate provision in respect of unfunded pensioners' benefits is included in provisions.

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 FRS17 and has accounted for its contributions to the scheme as if it were a defined-contribution scheme. The Academy has set out above the information available on the scheme and the implications for the Academy in terms of the anticipated contribution rates.

The pension cost charge in the financial statements for the scheme for the period ended 31st August 2011 was £257,760 which were contributions due for the year.

Samuel Ward

Notes to the Financial Statements for the period ended 31 August 2011 (continued)

Local Government Pension Scheme

The Academy is one of several employing bodies included within the Local Government Pension Scheme (LGPS). The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. Contributions to the scheme are determined by a qualified actuary on the basis of triennial valuations using the projected unit method.

The total employer contribution made for the period ended 31 August 2011 was **£98,000**.

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

	31 August 2011
Equities	62%
Bonds	21%
Property	10%
Cash	7%

Principal actuarial assumptions at the balance sheet date:

	31 August 2011
	% p.a.
Pension increase rate	2.60%
Salary increase rate	4.90%
Expected return on assets	5.90%
Discount rate	5.40%

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

	Males	Females
Current Pensioners	21.4 years	23.3 years
Future Pensioners	23.7 years	25.7 years

Samuel Ward

Notes to the Financial Statements for the period ended 31 August 2011 (continued)

24 Pension and similar obligations (continued)

The estimated Academy's share of the assets and liabilities in the scheme and the expected rates of return were

	Expected return at 31 August 2011	Value at 31 August 2011 £
Equities	6.80%	590,000
Bonds	4.60%	200,000
Property	4.80%	95,000
Cash	3.90%	67,000
Total market value of assets		952,000
Present value of scheme liabilities		
- Funded		(1,188,000)
- Unfunded		-
Surplus/(deficit) in the scheme		(236,000)

None of the fair values of the assets shown above include any of the Academy's own financial instruments or any property occupied by, or other assets used by, the Academy

The return on the Fund in market value terms for the period to 31st August 2011 is estimated based on actual Fund returns as provided by the Administering Authority and index returns where necessary

The actual return on the scheme assets for the period from 30th September 2010 to 30th June 2011 was 7.8%

The estimated return for the period from 1st November 2010 to 31st August 2011 was 1%

Amounts recognised in the statement of financial activities

	2011 £
Analysis of pension costs	
Current service cost	92,000
Past service cost (gain)	-
Total operating charge	92,000
Analysis of pension finance income/(costs)	
Interest cost	(51,000)
Expected return on pension scheme assets	46,000
Pension finance income/(costs)	(5,000)

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

The cumulative amount of actuarial gains and losses recognised in the statement of financial activities is £236,000

Samuel Ward

Notes to the Financial Statements for the period ended 31 August 2011 (continued)

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

	2011
	£
Transfer in of scheme obligations	1,119,000
Current service cost	92,000
Interest cost	51,000
Contributions by scheme participants	28,000
Actuarial (gains)/losses	(102,000)
Scheme liabilities at 31 August	<u>1,188,000</u>

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

	2011
	£
Transfer in of scheme assets	817,000
Expected return on scheme assets	46,000
Contributions by employer	98,000
Contributions by scheme participants	28,000
Actuarial gains/(loss)	(37,000)
Fair value of scheme assets at 31 August	<u>952,000</u>

The estimated value of employer contributions for the year ended 31st August 2012 is £127,000

The history of experience adjustments is as follows:

	2011
	£
Present value of defined benefit obligations	(1,188,000)
Fair value of share of scheme assets	952,000
Deficit in scheme	<u>(236,000)</u>
	£
Experience adjustments on share of scheme assets	(37,000)
Experience adjustments on scheme liabilities	<u>102,000</u>
	65,000

Samuel Ward

Notes to the Financial Statements for the period ended 31 August 2011 (continued)

25 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.