

Company Registration No 07553596 (England and Wales)

RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS REPORT AND ACCOUNTS
FOR THE PERIOD ENDED 31 AUGUST 2012

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RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REFERENCE AND ADMINISTRATIVE INFORMATION

Governors (Trustees)

Mrs F Akers*	Chair of Governors
Mrs K Snape*	Vice Chair of Governors
Mrs M Clarke*	Governor (Resigned 20 7 2012)
Cllr R Evans*	LA Governor
Mr D Cooper	Governor
Mrs J Newman	Governor
Mrs D Reddin	LA Governor (Resigned 20 7 2012)
Mrs C Langley*	Parent Governor
Mrs D Mendham*	Parent Governor
Mrs M Babaoglu	Parent Governor (Resigned 18 9 2011)
Mr J Cole*	Parent Governor (Resigned 9 10 2011)
Mrs M Grillo	Parent Governor
Mrs J Buckle*	Parent Governor (Resigned 9 10 2011)
Mr A Young*	Parent Governor
Ms L Dokkar	Parent Governor
Mrs I Gunn*	Parent Governor
Mr N Lawrence*	Parent Governor
Prof G Berwick*	Ex-officio Governor and Accounting Officer
Mrs R Howard-Wearn*	Teacher Governor
Mr J Hulme	Teacher Governor
Mr A Farmer*	Co-opted Governor (Resigned 20 7 2012)
Mr W Jones*	Non-Teacher Governor
Mr K Saunders*	Co-opted Governor
*Members of the Finance Committee	

Senior managers

Prof G Berwick	(Executive Principal)
Mr K Saunders	(Principal)
Mrs C Singleton	(Associate Head)
Mr J Hernandez	(Associate Head)
Mr R Lockyer	(Vice Principal)
Mr P Dumper	(Vice Principal)
Mrs R Howard-Wearn	(Vice Principal)
Mr C Hughes	(Vice Principal)
Mr M Suckling	(Vice Principal)
Mrs A Vaz	(Vice Principal)
Mr A Wallace	(Vice Principal)
Mr R Rice	(Future Leader)

Company number

07553596

Registered office

Oakley Road
Bromley
Kent
BR2 8HP

RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REFERENCE AND ADMINISTRATIVE INFORMATION

Auditors	Baxter & Co Lynwood House Crofton Road Orpington Kent BR6 8QE
Bankers	Barclays Bank Plc Station Square Petts Wood Orpington BR6 1LT Kent
Solicitors	Veale Wasbrough Vizards Barnards Inn 86 Feters Lane London EC4A 1AD

RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
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RAVENS WOOD SCHOOL

(A COMPANY LIMITED BY GUARANTEE)

GOVERNORS REPORT

FOR THE PERIOD ENDED 31 AUGUST 2012

The Governors (Trustees) present their report and accounts for the period ended 31 August 2012

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charitable Company's Memorandum and Articles of Association, the Companies Act 2006, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005, and the Annual Accounts Direction 2011/12 issued by the EFA

Structure, Governance and Management

The Charitable Company is a company limited by guarantee incorporated on 7 March 2011 and commenced operation as an Academy on 1 April 2011

The Governors (Trustees) who are also the directors for the purpose of company law, and who served during the period are included in the reference and administrative details at the front of this document

As a Teaching School and a school improvement provider, Ravens Wood employs additional Principals and Vice Principals to fill external roles. Colette Singleton was seconded to EACT and Sir Robert Woodard Academy as a Head Teacher Coach and Acting Principal respectively. John Hernandez was seconded to Norlington Boys School as Head Teacher and Richard Lockyer is Managing Director of Olevi. George Berwick, Mark Suckling and Rebecca Howard Wearn all fulfill duties for Olevi for a portion of their employment and fees are reimbursed back to Ravens Wood for their services.

Constitution and Members' Liability

Ravens Wood School is registered under the Companies Act 2006, as a company limited by guarantee without a share capital and was incorporated in 2011. Each member of the company undertakes to contribute to the assets of the company. In the event of the company being wound up while they are a member, or within one year after they cease to be a member, the liability of the members is limited to £10 each for the debts and liabilities contracted before they ceased to be a member. The Academy is an exempt charity. The company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The governors act as the trustees for the charitable activities of Ravens Wood School.

Details of the governors who served throughout the period are included above.

Principal Activities

The principal activity of the academy is to advance the public benefit of education in the UK.

The operation of Ravens Wood School is to provide education to boys of different abilities between the ages of 11 to 19, and to girls from 16 to 19. Funding is obtained from the Department for Education (DfE) through the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes.

**RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS REPORT (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

In addition since 2008 the school has been designated by the DfE as a National Teaching School, a designation that was reconfirmed last year. As such, it is required to share its knowledge and expertise with schools in this country facing the most challenging circumstances. It does this by providing a set of programmes it has developed jointly with the National College and providing expertise, either on a full time or a part time basis, depending on need. It also undertakes research which is commissioned by other bodies, including the National College. In order to do this, it needs to retain international expertise in education. The activities are funded either through grant or through direct payment. Most costs for programmes are agreed on a national basis through the national College on a nonprofit making basis. These activities are predominantly run under the marketing title "Olevi". All Olevi income and expenditure is included within the accounts of the school, and all such activity falls within the Academy Trust's Object, which is to advance for the public benefit education in the UK. This organization owns the intellectual property for the programmes provided. In most cases this is jointly shared with the National College. In order for this activity to take place, additional staff, especially at a senior level in the school, have been employed and a training base for Olevi has been provided.

Method of Recruitment and Appointment or Election of Governors

The Governors are directors of the charitable company for the purposes of the Companies Act 2006 and trustees for the purposes of charity legislation.

The governing body is made up of Trust Governors (appointed by the Members), Staff Governors, Local Authority (LA) Governor (appointed by the LA), and Parent Governors. The Executive Principal is an ex-officio Governor and the Principal is co-opted. Parent Governors are elected by every parent who has a registered pupil at the Academy. The governors may also appoint co-opted Governors.

Apart from the Executive Principal and Principal, who shall remain a Governor without limit, the term of office for all other Governors is 4 years and subject to re-election.

Policies and Procedures Adopted for the Induction and Training of Governors

The training and induction provided for new Governors will depend on their existing experience. Where necessary, induction will provide training in charity and educational legal and financial matters. All governors are provided with the information needed (including policies, minutes, budgets, etc.) to undertake their role as governors. The Academy also purchases the Governor Training Scheme run by the local authority for Continued Professional Development for all governors, as well as subscribing to Modern Governor, an online training resource.

RAVENS WOOD SCHOOL

(A COMPANY LIMITED BY GUARANTEE)

GOVERNORS REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2012

Organisational Structure

The Board of Governors, the majority of whom are non-executive, comprises persons appointed under the Articles of Association. The role of the Chair of the Governors is separated from the role of Executive Principal/Principal. The appointed members are the Chairs of the 5 Committees. The matters specially reserved to the Board of Governors for decision are set out in the Articles of Association, by custom and under the Board's scheme of delegation, the Board of Governors holds to itself the responsibilities for ongoing strategic direction of the Academy, the appointment and dismissal of designated office holders, approval of major developments and the receipt of regular reports from the Executive Principal/Principal on day-to-day operations of its business. The Board meets at least three times a year and has several committees, including a Buildings, Finance, Personnel, Curriculum and Policy Committee. All of these Committees are formally constituted with terms of reference and comprise appropriately qualified and experienced members. The Board of Governors is responsible for discussing and maintaining the Academy's Risk Register, which is reviewed at least once a year.

The Building Committee with the Finance Committee agrees the programme of planned maintenance and capital projects and makes recommendations to Governors regarding planned expenditure. It looks to ways to maximise the capital value of the Academy estates.

The Finance Committee, amongst other things, approves the annual budget under delegated powers from the Board and monitors performance in relation to the approved budget. The Finance Committee meets at least four times a year. These meetings consider financial reports and recommendations for the improvement of the Academy's systems of internal control, together with management's responses and implementation plans and at least once a year with the external auditors, to discuss audit findings. The Committee also receives and considers reports from Ofsted as they affect the Academy's business and monitor adherence with the regulatory requirements. Whilst senior executives attend meetings of the Finance Committee as necessary, they are not members of the Committee, the Committee receive independent reports from the auditors for independent discussions. The Full Governing Body committee also consider issues relating to the appointment, term of office, induction, training and evaluation of Governors.

The Personnel Committee contributes to the monitoring and evaluation of the school self-evaluation. It considers recommendations from external reviews, e.g. audit, Ofsted or LA review. The Committee systematically reviews, monitors and evaluates school policies, meeting the statutory requirements of personnel. The Committee monitor and evaluate the implementation of the Equality Policy (Equality Act 2010) in relation to staff recruitment, retention, staff development and impact on staff and keep under review the procedures for staff recruitment and training for safer recruitment, the policies on staff sickness, discipline and grievances and the criteria and procedures for redundancy. The Committee agree the staffing (teaching and non-teaching) at least annually in relation to the budget. They monitor professional development for all staff and its contribution to school improvement. They ensure the statutory requirements are met regarding the annual review of the Executive Principal's and Principal's performance.

The Policy Committee systematically reviews, monitors and evaluates school policies as agreed by the governing body, meeting statutory requirements (all red policies to be reviewed annually). It reviews amber policies when appropriate (this may be conducted by email). It takes action on any other relevant matter referred to the governing body in relation to policies and keeps under review the general duties under the Equality Act 2010. The Committee liaises with other committees as appropriate and agrees training to meet the development needs of members of the committee.

**RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS REPORT (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

Risk Management

The governors have assessed the major risks to which the Academy is exposed, in particular those relating to 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 Academy faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of visitors, supervision of school grounds, improved security measures in general) 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 Statement on Internal Control.

The system of internal control is based on an on-going risk management process designed to identify the principal risks to the achievement of the strategic aims and objectives, to evaluate the nature and extent of those risks, and to manage them efficiently, effectively and economically. The system of internal control is underpinned by compliance with the requirements of core controls assurance standards in

- Governance
- Financial Management
- Risk Management

The Academy has established the following processes in relation to its risk management policy and for reviewing the effectiveness of the system of internal control

- The Board of Governors meets at least four times a year to consider the plans and strategic direction of the Academy,
- The Board of Governors has established that the Senior Management Team of the Academy should be the body that oversees risk management at the institution,
- A risk register for the institution, which incorporates the key risks at the institutional level, is maintained. The register is formally appraised annually but emerging risks are added as required, the improvement actions and risk indicators are monitored regularly by the Senior Management Team and by the Finance Committee,
- The Finance Committee calls the work of the school to general account through regular reviews on specific areas of internal control together with recommendations for improvement. These greater audit planning arrangements and the methodology and approach of internal audit conforms to the latest professional standards reflecting the adoption of risk management techniques,
- The Finance Committee is responsible for advising the Board of Governors on how best practice in governance standards can be achieved. Reviews of effectiveness of the Board of Governors are undertaken both with each Governor and with the Board of Governors as a whole, as part of a strategic planning process. It also keeps under review the responsibilities for members of the Board of Governors.

The Principal & Executive Principal have responsibility for reviewing the effectiveness of the system of internal control. This review of the effectiveness of the system of internal control takes into account the work of the Finance Committee which has responsibility for the review, development and maintenance of the internal control framework, and of internal audit. Account is also taken of the comments made by external auditors and other review bodies in their reports.

**RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS REPORT (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

Connected Organisations, including Related Party Relationships

The Academy has a number of connected organisations, Olevi Limited, a company registered in England and Wales, and Challenge Partners, also a company registered in England and Wales. Both organisations exist to further the educational opportunities and achievements of students in the UK. Olevi Limited acts as a vehicle to allow the academy to market activities using the "Olevi" brand, retaining intellectual property rights for training programmes, but it is dormant in terms of financial activity so there are no related party transactions to report. Transactions with Challenge Partners are disclosed in note 22 to the financial statements.

Objectives and Activities

The Governors (Trustees) have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charitable Company should undertake.

Objects and Aims

The principal object and activity of the charitable company is the operation of Ravens Wood School to provide education for pupils of different abilities between the ages of 11 and 19.

In accordance with the articles of association the charitable company will act in accordance with all the relevant provisions of the School Admissions Code and the School Admission Appeals Code published by the Department for Education ("the Codes") as they apply. The governing body of the Academy Trust shall be deemed to be the "admission authority" for the purpose of reference in the Codes or legislation.

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

- to ensure that every student enjoys the same high quality education in terms of resourcing, tuition and care,
- to raise the standard of educational achievement of all pupils,
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review,
- to provide value for money for the funds expended,
- to comply with all appropriate statutory and curriculum requirements,
- to maintain close links with industry and commerce, and
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

Objectives, Strategies and Activities

The Academy's main strategy is encompassed in its statement "committed to excellence". To this end the activities provided include:

- focus on the quality of teaching and learning opportunities so that all students can attain appropriate academic qualifications,
- develop high moral standards and social skills so that all of the school community can make a positive contribution to the school and wider community,
- provide appropriate opportunities to develop skills that can meet the challenge of the knowledge age,
- training opportunities for all staff, and especially teaching staff,
- a extensive range of extra-curricular activities and opportunities for all students,
- a careers advisory service to help students obtain employment or move on to higher education,
- provide opportunities, skills and motivation so that students can continue learning throughout their lifetime.

**RAVENS WOOD SCHOOL
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GOVERNORS REPORT (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

Public Benefit

The Academy aims to advance for the public benefit education in the United Kingdom. In setting the objectives of the Academy and planning the associated activities, the Governors have given careful consideration to the Charity Commission's general guidance on public benefit.

Achievements and Performance

We are in our first year of operation as an Academy, having converted from a foundation school on 1st April 2011. The School is a fully developed boys' secondary comprehensive school with a co-educational Sixth Form and almost 1500 students aged 11 to 19 on roll. The school is consistently oversubscribed, and continues to achieve the forecast numbers of students. Total students as at the January Census date in January 2011 was 1488 and the Academy had a full complement in all year groups.

Examination results for 2012 were pleasing. At A and AS level candidates achieved an average of over 235 points per candidate (2011 average = 221). There was a 99% pass rate (2011 = 100%) and 80% of grades were A*-C (2011 = 76%). At GCSE 96% of the candidates achieved five A*-C grades (2011 = 95%).

To ensure that standards are continually raised the Academy operates a programme of observation of lessons, is visited by inspectors, undertakes a comparison of results from entry to Key Stage 3 to GCSE and from GCSE to A level to assess the added value. The Academy also participates in national programmes looking at added value through the key stages. The Academy is a National Teaching School, with the focus being Teaching & Learning across its network of schools. It is a senior partner in the Challenge Partner network (a collaborative partnership with the focus of improving the opportunities for all students. It has been established to provide professional challenge and support across the 180 schools, which includes over 16 National Teaching Schools), and undertakes an annual review of its teaching and learning through peer to peer review from within this group, overseen by HMI's. The Academy is also a founding member of the Bromley Schools Collegiate Teacher Training Program and trains a number of people through the Graduate Teacher Program (GTP) and School Centered Initial Teacher Training Program (SCITT) each year. In 2011, the scheme was ranked second in the country.

Admissions Criteria to the school

Should the number of applications exceed the number of places available, places will be allocated using the following criteria listed in order of priority:

1. Looked after children (Children in public care)
2. Siblings
3. Children of staff at the school
4. Proximity

Details of the caveats that apply to the above criteria can be found on the school's Admission Policy on the school website at www.ravenswood.bromley.sch.uk/

Students with a statement of Special Educational Needs are dealt with under a separate process and the Governing Body will admit those students whose statements name Ravens Wood School after this process has been completed.

Catchment Area

The catchment area covered by the school varies yearly, dependent upon the number of students admitted within criteria 1 - 3 above. The distance historically covered is in the range of 2.5 miles.

**RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS REPORT (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

Going Concern

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

Key Financial Performance Indicators

No key financial performance indicators have been set by the Governors, beyond the requirement that the financial position should remain sufficient to fund future needs. The principal performance measures are non-financial, these are largely educational and pastoral.

Financial Review

Most of the Academy's income is obtained from the DfE in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the period ended 31 August 2012 and the associated expenditure are shown as restricted funds in the statement of financial activities.

On 1st April 2011 all the assets and liabilities of the foundation school known as Ravens Wood School were transferred to the Academy. The value of the school building brought into the balance sheet as a result is shown as restricted fixed asset funds.

At 31st August 2012 the net book value of fixed assets was £18,066k and details are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

In addition to the fixed asset fund balance of £18,066k, the academy also held fund balances at 31 August 2012 comprising £533k of restricted funds, £138k of unrestricted funds (both of which are available for spending) and a pension reserve deficit of £1,376k. There is no immediate liability for this amount although the deficit points to an increase in employer's contributions over a number of years.

Financial and Risk Management Objectives and Policies

Governors keep spendable reserves under constant review to ensure that they have sufficient income to run the Academy on an efficient basis without affecting the quality of teaching and learning.

Principal Risks and Uncertainties

Governors have considered the principal risks and uncertainties that the Academy may be exposed to. Policies and controls have been designed so that these risks and uncertainties can be quickly identified, allowing the Academy to respond swiftly in order to eliminate them.

Reserves Policy

The Governors have not yet formalised a specific policy on reserves, beyond the requirement that reserve levels are regularly monitored by Governors and Management to ensure that sufficient reserves are maintained to meet anticipated future needs while avoiding long term accumulation of excessive sums.

**RAVENS WOOD SCHOOL
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GOVERNORS REPORT (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

Investment Policy

There are no investments held beyond cash deposits retained with the major UK clearing banks

Employee Involvement

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

Disabled Persons

There are ramps and lifts to some of the main areas of the school. The policy of the Academy is to support recruitment and retention of students and employees with disabilities. The Academy does this by adapting the physical environment, by making support resources available and through training and career development.

Plans for the Future

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

The Academy aims in the future to develop its curriculum to support a number of key areas. The completion of the new hall and the PE facility improvements has allowed the school to address the accommodation issue in the 6th Form. A dedicated 6th form space has now been provided to meet the needs of this key area within the school. However, internal development of the Drama and Dance department is still required in order to meet the growing demands of these subjects. Additionally, temporary accommodation is in need of repair work or replacement. The school needs to address the ongoing maintenance work to the roofs and Science block windows. The school is actively seeking Capital Grants to address these maintenance issues. The school is also considering the condition of the Science classrooms, and is developing a refurbishment plan to meet the needs of this department.

**RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS REPORT (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

Statement of Governors Responsibilities

The Governors (who act as Trustees for charitable activities of Ravens Wood 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 accounts in accordance with applicable law and regulation, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), and the Annual Accounts Requirements issued by the Education Funding Agency

Company law requires the Governors (Trustees) to prepare accounts for each financial period. Under company law the Governors (Trustees) must not approve the Accounts unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these accounts, the Governors (Trustees) are required to

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

The Governors (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 accounts 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 (Trustees) 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 accounts may differ from legislation in other jurisdictions.

**RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
GOVERNORS REPORT (CONTINUED)**

FOR THE PERIOD ENDED 31 AUGUST 2012

In accordance with company law, as the company's directors, we certify that:

- So far as we are aware, there is no relevant audit information of which the company's auditors are unaware, and

- The Governors have taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

A resolution proposing that Baxter & Co be reappointed as auditors of the company will be put to the members

On behalf of the board of Governors (Trustees)



Mrs F Akers

Chair of Governors

Dated 24 November 2012

RAVENS WOOD SCHOOL **(A COMPANY LIMITED BY GUARANTEE)** **GOVERNANCE STATEMENT**

FOR THE PERIOD ENDED 31 AUGUST 2012

Scope of Responsibility

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

The Governing Body has delegated the day-to-day responsibility to Prof G Berwick, the Executive Principal, 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 Ravens Wood School and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors Responsibilities. The Governing Body has formally met 4 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Governor	Meetings Attended	Out of a Possible
Mrs F Akers (Chair of governors)	4	4
Mrs K Snape (Vice Chair of Governors)	3	4
Mrs M Clarke (Governor)	3	4
Cllr R Evans (LA Governor)	3	4
Mr D Cooper (Governor)	3	4
Mrs J Newman (Governor)	2	4
Mrs D Reddin (LA Governor)	3	4
Mrs C Langley (Parent Governor)	4	4
Mrs D Mendham (Parent Governor)	3	4
Mrs M Babaoglu (Parent Governor)	0	1
Mr J Cole (Parent Governor)	1	2
Mrs M Grillo (Parent Governor)	2	4
Mrs J Buckle (Parent Governor)	2	2
Mr A Young (Parent Governor)	4	4
Ms L Dokkan (Parent Governor)	2	2
Mrs I Gunn (Parent Governor)	2	2
Mr N Lawrence (Parent Governor)	2	2
Prof G Berwick (Executive Principal)	4	4
Mrs R Howard-Wearn (Teacher Governor)	4	4
Mr J Hulme (Teacher Governor)	4	4
Mr A Farmer (Co-opted Governor)	1	4
Mr W Jones (Non-Teacher Governor)	3	4

The Finance Committee is a sub-committee of the main Governing Body. Its purpose is to assist and support the Governing Body, ensuring sound oversight is exercised over the management of the Academy's finances and resources. Attendance at meetings in the year was as follows:

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GOVERNANCE STATEMENT (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2012

Governor	Meetings Attended	Out of a Possible
Mrs F Akers (Chair of Governors)	6	7
Mrs K Snape (Vice Chair of Governors)	7	7
Mrs M Clarke (Governor)	4	7
Cllr R Evans (LA Governor)	3	7
Mrs C Langley (Parent Governor)	4	4
Mrs D Mendham (Parent Governor)	4	7
Mr J Cole (Parent Governor)	0	3
Mrs J Buckle (Parent Governor)	2	3
Mr A Young (Parent Governor)	6	7
Prof G Berwick (Executive Principal)	7	7
Mrs R Howard-Wearn (Teacher Governor)	4	7
Mr A Farmer (Co-opted Governor)	4	7
Mr W Jones (Non-Teacher Governor)	6	7
Mrs I Gunn (Parent Governor)	3	4
Mr N Lawrence (Parent Governor)	3	3

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 Ravens Wood School for the period ended 31 August 2012 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Governing Body has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the period ended 31 August 2012 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

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 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,

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GOVERNANCE STATEMENT (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2012

- 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 appointed the London Borough of Bromley internal auditor to fulfil the role of the Responsible Officer 'RO' under the control of the Finance Committee. The RO's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. On a regular basis, the RO reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

The Governing Body are satisfied that the RO function has been fully delivered in line with the Educational Funding Agency's requirements. No material control issues have been notified to Governors as a result of the RO's work.

Review of Effectiveness

The Accounting Officer Prof G Berwick, has the responsibility for reviewing the effectiveness of the system of internal control.

During the period ended 31 August 2012 the review has been informed by

- The work of the Responsible Officer,
- The work of the External Auditor,
- The financial management and governance self assessment process,
- The work of the Executive Managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

On behalf of the board of Governors (Trustees)



Mrs F Akers
Chair of Governors
Dated 24 November 2012



Prof G Berwick
Accounting Officer
Dated 24 November 2012

**RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE PERIOD ENDED 31 AUGUST 2012**

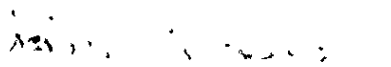
As accounting officer of Ravens Wood School I have considered my responsibility to notify the academy trust Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the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

I confirm that I and the Ravens Wood School Governing Body 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.

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



Prof G Berwick
Accounting Officer
Dated 24 November 2012



**RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF RAVENS WOOD SCHOOL**

We have audited the accounts of Ravens Wood School for the period ended 31 August 2012 set out on pages 19 to 45. 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 2011/12 issued by the EFA.

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Governors (Trustees) and auditors

As explained more fully in the statement of Governors responsibilities, the Governors (Trustees), who are also the directors of Ravens Wood School for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts 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. We are also responsible for expressing an opinion on whether grants made by the DfE/EFA have been applied for the purposes intended.

Scope of the audit of the accounts

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

Opinion on accounts

In our opinion the accounts

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2012 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Annual Accounts Direction 2011/12 issued by the EFA, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters

In our opinion grants made by the DfE/EFA have been applied for the purposes intended.

Opinion on other matter prescribed by the Companies Act 2006

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

**RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF RAVENS WOOD 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 accounts are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



**D J Walsh FCCA (Senior Statutory Auditor)
for and on behalf of Baxter & Co**

Chartered Certified Accountants

Statutory Auditor

Lynwood House

Crofton Road

Orpington

Kent BR6 8QE

Dated 26 November 2012

RAVENS WOOD SCHOOL

(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO RAVENS WOOD SCHOOL AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 1 November 2012 and further to the requirements of the Education Funding Agency 'EFA' as included in the Academies Accounts Direction 2011/12, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Ravens Wood School during the period ended 31 August 2012 have been applied to the purpose identified by Parliament and the financial transactions conform to the authorities which govern them

This report is made solely to Ravens Wood School and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Ravens Wood 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 Ravens Wood School and the EFA, for our work, for this report, or for the conclusion we have formed

Respective Responsibilities of Ravens Wood School's Accounting Officer and the Reporting Accountant

The Accounting Officer is responsible, under the requirements of Ravens Wood School's funding agreement with the Secretary of State for Education and the Academies Financial Handbook as published by the DfES in 2006, for ensuring that expenditure disbursed and income received is applied for the purpose intended by Parliament and the financial transactions conform to the authorities which govern them

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

Approach

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

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy Trust's income and expenditure. We have included in our examination testing of a sample of

- Payments to staff,
- Payments to suppliers and other third parties,
- Grant and other income streams

We have reviewed the most recent Financial Management and Governance Evaluation self assessment return prepared by the Academy and made enquiries of the Accounting Officer thereon. We have reviewed minutes and other evidence made available to us, relevant to our consideration of regularity

**RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON
REGULARITY TO RAVENS WOOD 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 period ended 31 August 2012 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them



Baxter & Co

Chartered Certified Accountants

Lynwood House
Crofton Road
Orpington
Kent BR6 8QE

Dated 26 November 2012

RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES

FOR THE PERIOD ENDED 31 AUGUST 2012

	Notes	Unrestricted funds £'000	Restricted funds £'000	Fixed Asset fund £'000	Total 2012 £'000
Incoming Resources					
<i>Generated Funds</i>					
- Voluntary Income	3	-	395	-	395
- Voluntary Income (transfers on conversion)	3	178	1,493	16,770	18,441
- Activities for Generating Funds	4	7	-	-	7
- Investment Income	5	7	-	-	7
<i>Charitable Activities</i>					
- Educational Operations	6	-	14,478	-	14,478
Total Incoming Resources		192	16,366	16,770	33,328
Resources Expended					
<i>Costs of generating funds</i>					
- Costs of generating Voluntary Income	7	-	788	-	788
<i>Charitable Activities</i>					
- Educational Operations	8	-	12,928	714	13,642
<i>Governance Costs</i>	9	-	119	-	119
<i>Other Resources Expended</i>					
- Transfers on conversion	7	-	883	-	883
- LGPS Pension Finance Costs	7/17	-	51	-	51
Total Resources Expended	7	-	14,769	714	15,483
Net Incoming/(Outgoing) Resources before Transfers		192	1,597	16,056	17,845
Gross transfers between funds	15	(54)	(1,956)	2,010	-
Net Incoming/(Outgoing) Resources before Other Recognised Gains and Losses		138	(359)	18,066	17,845
Other recognised gains and losses					
Actuarial Gains/(Losses) on Defined Benefit Pension Scheme	17	-	(484)	-	(484)
Net movement in funds		138	(843)	18,066	17,361
Fund balances at 7 March 2011		-	-	-	-
Fund balances at 31 August 2012		138	(843)	18,066	17,361

RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE PERIOD ENDED 31 AUGUST 2012

	Period ended 31 August 2012 £'000
Income	
General Annual Grant (GAG)	10,770
Other DfE / EFA Grants	504
Capital Income	2,306
Fixed Assets donated to Academy	16,770
Other Income	2,978
Total Income	33,328
Expenditure	
General Annual Grant (GAG) related expenditure	10,418
Other DfE / EFA Grants related expenditure	461
Expenditure Funded from Capital Income (not capitalised)	613
Other Expenditure	892
Expenditure Funded from Other Income	2,385
Depreciation	714
Total Expenditure	15,483
Excess of Income over Expenditure	17,845

The summary income and expenditure account is derived from the statement of financial activities on page 19 which, together with the notes on pages 23 to 45, provides full information on the movements during the period on all funds of the charity

All of the Academy's activities derive from acquisitions in the current financial period

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

Net Income/(Expenditure) for the period	17,845
Actuarial Gains/(Losses) on Defined Benefit Pension Scheme	(484)
Total Recognised Gains and Losses for the period	17,361

RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET

AS AT 31 AUGUST 2012

	Notes	2012 £'000	£'000
Fixed assets			
Tangible assets	12		18,066
Current assets			
Debtors	13	239	
Cash at bank and in hand		905	
		<u>1,144</u>	
Creditors amounts falling due within one year	14	<u>(473)</u>	
Net current assets			<u>671</u>
Total assets less current liabilities			<u>18,737</u>
Defined benefit pension liability	17		<u>(1,376)</u>
Net assets			<u><u>17,361</u></u>
Funds			
Restricted Funds	15		
General Annual Grant (GAG) Fund			342
Other DfE / EFA Grant Fund			43
Fixed Asset Fund			18,066
Other Income Fund			148
LGPS Fund			<u>(1,376)</u>
Unrestricted Funds	15		
Other Income Fund			<u>138</u>
			<u><u>17,361</u></u>

The accounts were approved by the Governors, and authorised for issue on 24 November 2012

Mrs F Akers
Chair of Governors



Company
Registration
No 07553596

RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
CASH FLOW STATEMENT

FOR THE PERIOD ENDED 31 AUGUST 2012

	Notes	Period ended 31 August 2012 £'000
Net cash (outflow)/inflow from operating activities	18	137
Cash transferred on conversion	3	901
Returns on investments and servicing of finance		
Investment income		7
Net cash inflow from returns on investments and servicing of finance		7
Capital expenditure and financial investments		
Payments to acquire tangible fixed assets		(2,010)
Capital Grants		59
Other Capital Income		1,811
Net cashflow from capital activities		(140)
Increase in cash	19	905

All of the Academy's activities derive from acquisitions in the current financial period

RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED 31 AUGUST 2012

1 Accounting policies

1.1 Basis of preparation

The financial statements are prepared under the historic cost convention and in accordance with applicable accounting standards and the Charities SORP 2005

The Standard Format for the financial statements as required by the Companies Act 2006 has been adapted to provide more appropriate information which complies with the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 ('Charities SORP 2005') and the Academies Accounts Direction issued by the EFA

A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below

1.2 Going Concern

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

1.3 Incoming resources

Grants Receivable

Grants are included in the statements 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.

Donations

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

Donated Services and Gifts in Kind

The value of donated services and gifts in kind (other than fixed assets) provided to the company is recognised in the statement of financial activities as incoming resources and resources expended at their estimated open market value to the company in the period in which they are receivable, and where the benefit is both quantifiable and material.

Interest Receivable

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

Other Income

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

RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2012

1 Accounting Policies

(continued)

1.4 Resources expended

Resources expended are recognised in the period in which they are incurred and include irrecoverable VAT. They have been classified under headings that aggregate all costs relating to that activity.

Allocation of Costs

In accordance with the Charities SORP, expenditure has been analysed between the cost of generating funds, the company's charitable activities and governance. Items of expenditure which involve more than one cost category have been apportioned on a reasonable, justifiable and consistent basis for the cost category concerned. Central staff costs are allocated on the basis of time spent on each activity and depreciation charges on the basis of the proportion of the assets' use which is utilised by each activity.

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's educational operations.

Governance Costs

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

Fund Accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the objects of the company at the discretion of the Governors.

Restricted funds comprise grants from the DfE / EFA and other donors which are to be used for specific purposes as explained in note 15.

Restricted Fixed Asset funds are resources which are to be applied to specific purposes according to the source of funding for the related fixed assets.

RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2012

1 Accounting Policies

(continued)

1.5 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation

Assets costing £5,000 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 are depreciated over their expected useful economic life. The related grants are credited to an appropriate restricted fund in the statement of financial activities and carried forward in the balance sheet

Depreciation is charged in the statement of financial activities at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows

Freehold land is not depreciated

Freehold buildings	2% Straight Line
ICT / Computer equipment	25% Straight Line
Fixtures, fittings & equipment	20% Straight Line

1.6 Fixed Assets Transferred from Predecessor School

Where fixed assets were transferred to the charitable company from the predecessor school, these have been included at a value determined in accordance with the policy described below

Land

Where land is owned (or occupied under the terms of a long term lease), subject to a legally binding restriction as to its use, it is included at its existing use value

Buildings

In accordance with the requirements of FRS 15, specialist buildings transferred from the predecessor school are recognised at their depreciated replacement cost at the time of the transfer. Future depreciation is charged over the estimated remaining useful life of the buildings

Other Fixed Assets

Other fixed assets transferred from the predecessor school are also included at depreciated replacement cost (subject to the capitalisation limit set). Assets transferred (other than fixed assets) are dealt with as a donation in kind within the Statement of Financial Activities

1.7 Leasing and hire purchase commitments

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the lease term

RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2012

1 Accounting Policies

(continued)

1.8 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, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Academy. More details of the schemes are given in note 17.

Teachers' Pension Scheme

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 17, 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.

Local Government Pension Scheme

The LGPS is a funded scheme and the assets are held separately from those of the Academy in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs 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 credit adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

Further details are set out in note 17 to the financial statements.

1.9 Taxation

The Academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore meets the definition of a charitable company for 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.

RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2012

2	General Annual Grant (GAG)	2012
		£'000
a	Results and Carry Forward for the period	
	GAG brought forward from previous period	-
	GAG allocation for current period	10,770
	Total GAG available to spend	10,770
	Recurrent expenditure from GAG	(10,418)
	Fixed Assets purchased from GAG	(10)
	GAG Carried Forward to Next Year	342
	Maximum permitted GAG carry forward at end of current period (12% of allocation for current period)	(1,292)
	GAG to surrender to DfE / EFA (12% rule breached if result is positive)	(950)
		<i>no breach</i>
b	Use of GAG Brought Forward from previous period for recurrent purposes (Of the amount Carried Forward each year, a maximum of 2% of GAG can be used for recurrent purposes. Any balance, up to a maximum of 12%, can only be used for capital purposes)	
	Recurrent expenditure from GAG in current period	10,418
	GAG allocation for current period	(10,770)
	GAG allocation for previous period x 2%	-
	GAG Brought Forward from previous period in excess of 2%, used on recurrent expenditure in current period (2% rule breached if result is positive)	(352)
		<i>no breach</i>

RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2012

3 Voluntary Income

	Unrestricted funds £'000	Restricted funds £'000	Fixed Asset funds £'000	Total 2012 £'000
Donations / Parental Contributions	-	74	-	74
Voluntary Fund Income	-	321	-	321
	-	395	-	395
Transfers on Conversion				
School Reserves	178	723	-	901
Fixed Assets	-	-	16,770	16,770
Other Assets	-	770	-	770
	178	1,493	16,770	18,441
	178	1,888	16,770	18,836

4 Activities for Generating Funds

	Unrestricted funds £'000	Total 2012 £'000
Lettings	7	7
	7	7

5 Investment Income

	Unrestricted funds £'000	Total 2012 £'000
Bank Interest	7	7
	7	7

RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2012

6 Funding for Academy's Educational Operations

	Restricted funds £'000	Total 2012 £'000
General Annual Grant (GAG)	10,770	10,770
Other DfE / EFA Grants		
EFA grants	19	19
Pupil Premium	50	50
Matrix Funding	435	435
Capital Grants		
Devolved Formula Capital Grant	59	59
Other Capital Grants	1,811	1,811
Other Income		
Salary Costs Recovered / ICT Primary Support	184	184
C School Non Grant Income	801	801
C School Grant Income	182	182
Other Unrestricted Income	167	167
	14,478	14,478

RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2012

7 Total resources expended

	Staff costs £'000	Depreciation £'000	Other costs £'000	Total 2012 £'000
Costs of Generating Voluntary Income	-	-	788	788
Costs of Activities for Generating Funds	-	-	-	-
Academy's Educational Operations				
Direct Costs	8,993	571	1,046	10,610
Allocated Support Costs	1,226	143	1,663	3,032
	10,219	714	2,709	13,642
Governance costs	-	-	119	119
Other				
LGPS Deficit Inherited on Conversion	-	-	883	883
LGPS Pension Finance Cost	-	-	51	51
	-	-	934	934
	10,219	714	4,550	15,483

Details of fees payable to Auditors are set out in note 9 (Governance Costs)

RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2012

8 Charitable Activities - Academy's Educational Operations

	Restricted funds £'000	Fixed Asset fund £'000	Total 2012 £'000
Direct Costs			
Teaching and Educational Support	8,993	-	8,993
Depreciation	-	571	571
Educational Supplies and Services	332	-	332
Examination Fees	197	-	197
Educational Consultancy	131	-	131
School Trips and Activities	304	-	304
Staff Development	82	-	82
Other Direct Costs	-	-	-
	<u>10,039</u>	<u>571</u>	<u>10,610</u>
Allocated Support Costs			
Support Staff Costs	1,268	-	1,268
LGPS Staff Costs	(42)	-	(42)
Depreciation	-	143	143
Maintenance of Premises	614	-	614
Furniture and Equipment	24	-	24
Cleaning	33	-	33
Water	22	-	22
Energy	166	-	166
Rates	52	-	52
Insurance	106	-	106
Transport	77	-	77
Administrative Costs	146	-	146
Catering	121	-	121
Bank Interest & Charges	3	-	3
Recruitment and Support	5	-	5
Technology Costs	239	-	239
Other Support Costs	55	-	55
	<u>2,889</u>	<u>143</u>	<u>3,032</u>
Total	<u>12,928</u>	<u>714</u>	<u>13,642</u>

RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2012

9 Governance costs	Restricted funds £'000	Total 2012 £'000
Legal and Professional Fees payable to Auditors	105	105
Audit Fees	7	7
Other Fees	7	7
	<u>119</u>	<u>119</u>

RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2012

10 Staff Costs

Number of employees

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

	2012
	Number
Teachers	103
Administration and Support	52
Management	8
	<u>163</u>

Employment costs

	2012
	£'000
Wages and salaries	8,333
Social security costs	693
Other pension costs	1,114
	<u>10,140</u>
Agency Supply and Other Salary Related Costs	79
	<u>10,219</u>

During the period the academy paid a member of staff £7,204 in respect of a compromise agreement

The number of employees whose annual remuneration was £60,000 or more was

	2012
	Number
£60,000 - £70,000	3
£70,001 - £80,000	1
£80,001 - £90,000	2
£100,001 - £110,000	1
£110,001 - £120,000	1

The employees whose emoluments exceed £60,000 p a participated in the Teachers' Pension Scheme
Annual pension contributions for these staff amounted to £80,344

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11 Governors (Trustees)

Governors' Remuneration and Expenses

The Executive Principal and Staff Governors only receive remuneration in respect of services they provide undertaking the roles of Executive Principal and staff and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the Academy in respect of their role as Governors. The value of Governors' remuneration during the period covered by these accounts fell in the following bands of £5,000,

G T Berwick	£176,151
R Howard - Wearn (Staff Governor)	£75k-£80k
J D Hulme (Staff Governor)	£70-£75k
W Jones (Staff Governor)	£35-£40k

During the period ended 31 August 2012, expenses totalling £4,115 were reimbursed to 2 Governors for expenses relating to their ordinary course of employment

Governors' and Officers' Insurance

In accordance with normal commercial practice the company purchased insurance to protect trustees, governors and officers from claims arising from negligent acts, error or omissions occurring whilst on company business. Cover of up to £2,000,000 on any one claim was purchased, the cost of which is £3,689

12 Tangible fixed assets

	Land and buildings	Plant and machinery	Fixtures, fittings & equipment	Total
	£'000	£'000	£'000	£'000
Cost or valuation				
At 7 March 2011	-	-	-	-
Additions	18,744	7	29	18,780
At 31 August 2012	18,744	7	29	18,780
Depreciation				
At 7 March 2011	-	-	-	-
Charge for the period	705	3	6	714
At 31 August 2012	705	3	6	714
Net book value				
At 31 August 2012	18,039	4	23	18,066

Additions to Land and Buildings includes land inherited from the predecessor school of £4,911,000 and buildings of £11,859,403

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NOTES TO THE ACCOUNTS (CONTINUED)
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13 Debtors	2012
	£'000
Trade debtors	77
Other debtors	40
Prepayments and accrued income	122
	<hr/>
	239
	<hr/>

14 Creditors amounts falling due within one year	2012
	£'000
Taxes and social security costs	151
Accruals	322
	<hr/>
	473
	<hr/>

Accruals includes deferred income of £184k, being resources deferred in the period and carried forward at 31 August 2012

RAVENS WOOD SCHOOL
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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2012

15 Funds

	Movement in funds				
	Balance at 7 March 2011	Incoming resources	Resources expended	Gains, Losses and Transfers	Balance at 31 August 2012
	£'000	£'000	£'000	£'000	£'000
General Annual Grant	-	10,770	(10,418)	(10)	342
Other DfE / EFA Grants	-	504	(461)	-	43
Other Income	-	2,786	(2,385)	(253)	148
Restricted General Funds	-	14,060	(13,264)	(263)	533
DfE / EFA Capital Grant	-	2,306	(613)	(1,693)	-
Restricted Capital Fund	-	2,306	(613)	(1,693)	-
Restricted Fixed Asset Fund	-	16,770	(714)	2,010	18,066
Restricted LGPS Fund	-	-	(892)	(484)	(1,376)
Total Restricted Funds	-	33,136	(15,483)	(430)	17,223
Total Unrestricted Funds	-	192	-	(54)	138
Total Funds	-	33,328	(15,483)	(484)	17,361

The Restricted General Funds are used to fund the general operating costs of the Academy. The company is allowed to carry forward up to 12% of the current (GAG). Of the carried forward amount, up to 2% can be used for general purposes at the discretion of the company, but any balance over 2% must be used for premises expenditure.

The Other Government Grants Fund represents the unspent balance of grants received during the period for specific purposes.

The Restricted Other Income Fund represents the Academy's Voluntary Fund balance of £30k and a balance on the "C School" funds of £118k that remain unspent, but are restricted to the charitable activities that gave rise to them.

RAVENS WOOD SCHOOL
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NOTES TO THE ACCOUNTS (CONTINUED)
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15 Funds

(continued)

The Restricted Capital Fund represents unspent capital income at the period end and is set aside to fund future capital purchases

The Restricted Fixed Asset Fund are resources which are to be applied to specific purposes according to the source of funding for the related fixed asset

The Restricted LGPS Fund represents the Academy's share of the LGPS Pension Fund deficit

Unrestricted Funds represent balances held at period end that can be applied at the discretion of the Governors, to support any of the Academy's charitable purposes

16 Analysis of net assets between funds

	Unrestricted funds £'000	Restricted funds £'000	Fixed Asset Fund £'000	Total Funds £'000
Fund balances at 31 August 2012 are represented by				
Tangible fixed assets	-	-	18,066	18,066
Current assets	138	1,006	-	1,144
Creditors amounts falling due within one year	-	(473)	-	(473)
Defined benefit pension liability	-	(1,376)	-	(1,376)
	<u>138</u>	<u>(843)</u>	<u>18,066</u>	<u>17,361</u>

RAVENS WOOD SCHOOL
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NOTES TO THE ACCOUNTS (CONTINUED)
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17 Pension and other post-retirement benefit commitments

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 London Borough of Bromley Both are defined-benefit schemes

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

Contributions amounting to £nil were payable to the scheme at 31 August 2012

Teachers' Pension Scheme

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

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

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases) From 1 April 2001, the Account has been credited with a real rate of return (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return

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

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

The last valuation of the TPS related to the period 1 April 2001 - 31 March 2004 The GA's report of October 2006 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £166,500 millions The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £163,240 millions The assumed real rate of return is 3.5% in excess of prices and 2% in excess of earnings The rate of real earnings growth is assumed to be 1.5% The assumed gross rate of return is 6.5%

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17 Pension and other post-retirement benefit commitments

(continued)

As from 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable. The cost-sharing agreement also introduced - effective for the first time for the 2008 valuation - a 14% cap on employer contributions payable.

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

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2012 was £371,000, of which employer's contributions totalled £294,000 and employees' contributions totalled £77,000. The agreed contribution rates for future years are 23.5% for employers and a range between 5.5% and 7.5% for employees according to salary levels.

The employer's contribution rate includes an element calculated by actuaries so as to eliminate the pension fund deficit over a manageable period.

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 subsequently, join the Scheme in the period. 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.

The major assumptions used by the actuary were

	2012
	%
Rate of increase in salaries	4.10
RPI Increases	2.70
CPI Increases	1.90
Rate of increase in pensions in payment	1.90
Discount rate	3.90

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NOTES TO THE ACCOUNTS (CONTINUED)
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17 Pension and other post-retirement benefit commitments

(continued)

Sensitivity Analysis

	Assets at 31 August 12 £'000	Liabilities at 31 August 12 £'000	(Deficit)/Surplus At 31 August 12 £'000
Central	1,222	(2,598)	(1,376)
Sensitivity 1			
+0 1% pa discount rate	1,222	(2,522)	(1,300)
Sensitivity 2			
-0 1% pa discount rate	1,222	(2,678)	(1,456)
Sensitivity 3			
+1 year mortality rate	1,222	(2,509)	(1,287)
Sensitivity 4			
-1 year mortality rate	1,222	(2,689)	(1,467)

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

	2012 Years
Retiring today	
Males	22
Females	26
Retiring in 20 years	
Males	24
Females	28

The values of the assets in the scheme are as follows

	2012 %	2012 £'000
Equities	80.00	977
Bonds	14.00	171
Other assets	6.00	74
Total market value of assets		1,222
Present value of scheme liabilities		(2,598)
Net pension liability		(1,376)

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NOTES TO THE ACCOUNTS (CONTINUED)
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17 Pension and other post-retirement benefit commitments **(continued)**

Analysis of the amounts recognised in the statement of financial activities.

	2012
	£'000
Employer Service Cost	(252)
Deficit Inherited from Predecessor School	(883)
Employers Contribution	294
	<hr/>
Total operating charge	(841)
	<hr/>

Analysis of the amount shown as other finance expenditure

	2012
	£'000
Expected Return on Employee Share of Scheme Assets	92
Interest on Pension Liabilities	(143)
	<hr/>
Net surplus/(deficit)	(51)
	<hr/>

Analysis of amount recognised in the statement of total recognised gains and losses

	2012
	£'000
Actuarial Gains/(Losses) on Assets	21
Actuarial Gains/(Losses) on Liabilities	(505)
	<hr/>
Actuarial Gain/(Loss) recognised in the statement of total recognised gains and losses	(484)
	<hr/>

Movement in Surplus/(Deficit) during the period

	2012
	£'000
Operating charge	(841)
Other finance income	(51)
Actuarial losses	(484)
	<hr/>
Deficit in scheme at 31 August 2012	(1,376)
	<hr/>

RAVENS WOOD SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2012

17 Pension and other post-retirement benefit commitments

(continued)

Movements in the Present Value of Defined Benefit Obligations were as follows

	2012
	£'000
Interest Cost	(143)
Actuarial (Losses) Gains	(505)
Contributions by Scheme Participants	(77)
Other Movements	(1,873)
	<u>(2,598)</u>

Included within Other Movements is £1,683,000 in relation to the obligations inherited by the Academy, £(62,000) of estimated benefits paid, and £252,000 of service costs

Movements in the Fair Value of Academy's share of scheme assets

	2012
	£'000
Actuarial Gains (Losses)	21
Contributions by Employer including unfunded	294
Contributions by Scheme Participants	77
Other Movements	830
	<u>1,222</u>

Included within Other Movements is £800,000 of assets inherited by the Academy, £92,000 relating to expected return on plan assets, and £(62,000) of estimated benefits paid

RAVENS WOOD SCHOOL
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NOTES TO THE ACCOUNTS (CONTINUED)
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17 Pension and other post-retirement benefit commitments **(continued)**

Defined benefit (continued)

History of experience gains and losses:

	2012	2011	2010	2009	2008
	£'000	£'000	£'000	£'000	£'000
Present value of defined benefit obligations	(2,598)	-	-	-	-
Fair value of share of scheme assets	1,222	-	-	-	-
	<u>(1,376)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Experience adjustment on scheme liabilities	-	-	-	-	-
Percentage of liabilities	-	-	-	-	-
Experience adjustment on scheme assets	21	-	-	-	-
Percentage of assets	1 72%	-	-	-	-

18 Net cash inflow from operating activities **2012**
£'000

Reconciliation to changes in resources

Changes in resources before revaluations	17,845
Cash transferred on conversion	(901)
Investment income	(7)
Depreciation of tangible fixed assets	714
Increase in debtors	(239)
Increase in creditors	473
Non cash donations	(16,770)
Capital Income	(1,870)
FRS17 Deficit Inherited on Conversion	883
Other FRS17 Charges	9
	<u>137</u>

RAVENS WOOD SCHOOL
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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2012

19 Reconciliation of net cash flow to movement in net funds **2012**
£'000

Increase in cash	905
Net funds at 7 March 2011	-
Net funds at 31 August 2012	<u>905</u>

20 Analysis of net cash balances

	Cash flow	Non-cash	At 31 August
	£'000	changes	2012
	£'000	£'000	£'000
Cash at bank and in hand	905	-	905
	<u>905</u>	<u>-</u>	<u>905</u>

21 Commitments under operating leases

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

	2012
	£'000
Expiry date	
Between two and five years	<u>20</u>

22 Related parties

During the period, income of £34k was received by the academy to run courses on behalf of Challenge Partners, a company incorporated in England and Wales (company number 08048330) £20k was paid to Challenge Partners as a contribution to its costs. No balances were outstanding with Challenge Partners at 31 August 2012. Challenge Partners is a related party by virtue of the fact that some of its directors are governors and/or managers of Ravens Wood School. All transactions were conducted at market rates and at arms length.

During the period, the academy paid salaries of £13,860 to L Conlon and £2,875 to L Ford. Salaries were paid at market rates and at arms length. No balances were outstanding at 31 August 2012. L Conlon and L Ford are related parties by virtue of being close family members of Prof G Berwick, Executive Principal.

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FOR THE PERIOD ENDED 31 AUGUST 2012

23 Conversion to an Academy

On 1 April 2011 the Ravens Wood School converted to Academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to it from the London Borough of Bromley Local Authority for £nil consideration

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

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

	Unrestricted funds £'000	Restricted funds £'000	Fixed Asset funds £'000	Total 2012 £'000
Tangible Fixed Assets				
- Freehold / Leasehold Land & Buildings	-	-	16,770	16,770
- Other Tangible Fixed Assets	-	-	-	-
Budget Surplus/(Deficit) on Local Authority Funds	178	436	-	614
Budget Surplus/(Deficit) on Other School Funds	-	287	-	287
LGPS Pension Surplus/(Deficit)	-	(883)	-	(883)
Borrowing Obligations	-	-	-	-
Other identified Assets & Liabilities	-	770	-	770
	<u>178</u>	<u>610</u>	<u>16,770</u>	<u>17,558</u>

The above Net Assets / Liabilities include £901k that were transferred as cash or cash equivalent

24 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