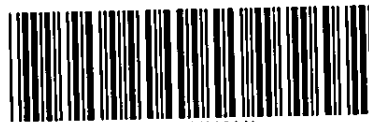


Company Registration No. 07569743 (England and Wales)

**ROYAL WOOTTON BASSETT ACADEMY**  
**(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT AND AUDITED ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

THURSDAY



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# ROYAL WOOTTON BASSETT ACADEMY

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# ROYAL WOOTTON BASSETT ACADEMY

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Governors (Trustees)

D Gardner (Chair of governors) \*  
A Bacon (Resigned 31 October 2013) \*  
A Bell (Staff governor)  
G Campbell (Chair of Curriculum & Learning)  
S Finegan (Resigned 1 September 2013)  
T Foot \*  
M Groom  
N Jobbins (Resigned 31 October 2013) \*  
A McFarlane \*  
J Miller (Staff governor)  
C Parkinson \*  
P Sheppard (Staff governor)  
M Sweet (Chair of Staffing & Pupil Welfare)  
P Tanner (Chair of Finance & Premises) \*  
T Upham  
L Warwick  
S Wright  
K Wright (Appointed 1 December 2012) \*  
T Woodhouse  
G Croxford (Headteacher) \*

\* members of the Finance and Premises Committee

### Senior management team

- Deputy Headteacher  
- Finance Manager

A Ellis  
K Hillier

### Company registration number

07569743 (England and Wales)

### Registered office

Lime Kiln  
Royal Wootton Bassett  
Swindon  
Wiltshire  
SN4 7HG

### Independent auditor

Moore Stephens (South) LLP  
33 The Clarendon Centre  
Dairy Meadow Lane  
Salisbury, Wiltshire,  
SP1 2TJ

### Bankers

Lloyds TSB Bank Plc  
Swindon Old Town Branch  
High Street  
Swindon  
Wiltshire  
SN1 3EN

# **ROYAL WOOTTON BASSETT ACADEMY**

## **REFERENCE AND ADMINISTRATIVE DETAILS**

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### **Solicitors**

Veale Wasbrough Vizards  
Orchard Court  
Orchard Lane  
Bristol  
BS1 5WS

# ROYAL WOOTTON BASSETT ACADEMY

## GOVERNORS' REPORT

**FOR THE YEAR ENDED 31 AUGUST 2013**

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The Governors present their annual report together with the accounts and independent auditor's reports of the charitable company for the period 1 September 2012 to 31 August 2013

### **Structure, governance and management**

#### Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The Governors are the trustees of Royal Wootton Bassett Academy and are also the Directors of the charitable company for the purposes of company law. The Charitable Company is known as Royal Wootton Bassett Academy. The Chairman, Vice Chairman and Chairs of the three standing Governor Committees are appointed Members of the Academy Trust.

Details of the Governors who served during the year are included in the Reference and Administrative Details on page 1.

#### 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

The Academy Trust has purchased Governor's Liability insurance (£5,000,000) and Fidelity Guarantee cover (£250,000 - Governors and Employees) included in Liabilities policy costing £25,603.98.

#### Principal activities

The Academy Trust's object is specifically restricted to the advancement for the public benefit of education in the United Kingdom, in particular, but without prejudice to, the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

#### Method of recruitment and appointment or election of Governors

The Members may appoint up to 8 Governors and may appoint Staff Governors through such process as they may determine, provided that the total number of Governors (including the Headteacher) who are employed by the Academy Trust does not exceed one third of the total number of Governors. The Headteacher shall be treated for all purposes as being an ex officio Governor. Parent Governors shall be elected by parents of registered pupils at the Academy. A Parent Governor must be a parent, carer or guardian of a pupil at the Academy at the time when he/she is elected.

#### Policies and procedures adopted for the induction and training of Governors

The Academy Trust undertakes the provision of Governor Procedures policies from Wiltshire Council and also makes use of periodic updates provided by Wiltshire Council. Induction training is provided for all Governors and continual training is provided by Wiltshire Council and any other applicable external bodies.

#### Organisational structure

The Governors set strategic objectives and educational targets for the Academy Trust, with some of these functions delegated to sub-committees. While these committees may make recommendations all responsibility for any decisions remains with the Academy Trust.

The strategic direction of the Academy Trust is overseen by a small group of Governors working with the Headteacher.

The day to day operation of the Academy Trust is delegated to the Headteacher who, together with his Leadership Team, is responsible for the management of teaching and support staff, facilities, health and welfare of pupils and delivery of teaching and learning.

# ROYAL WOOTTON BASSETT ACADEMY

## GOVERNORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2013**

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### Risk management

The Academy Trust has been through the process to assess business risk and to identify and implement strategies for addressing risks. This process entails scoring of risks and prioritising in terms of their potential operational and financial impact, their likelihood of occurrence assessed and means of mitigation identified. The Governors have reviewed the risks to which the Academy Trust is exposed and considered, in particular, those relating to the specific teaching, provision of facilities and other operational areas of the Academy Trust. Where significant financial risk still remains they have ensured that adequate insurance cover has been provided. The Academy Trust has an effective system of internal financial controls.

### Connected organisations and related party relationships

None

### **Chairman's Statement**

This has been another successful year for Royal Wootton Bassett Academy. I am pleased to report that we have bounced back from some disappointing GCSE English results in 2012 (along with many other schools, we were adversely affected by the late notice grade boundary changes) to record our best ever set of GCSE and A Level results in 2013.

We are proud of our Outstanding Status and we are one of only a few schools in the country rated Outstanding in every category by Ofsted. As a consequence we have a high profile, both locally and nationally. Advice from our specialist teachers and senior management is sought by other schools and we are well represented on a number of key groups taking teaching and learning forward in the UK.

We have very good modern facilities and we aim to build on our reputation to recruit and retain the best staff, to attract and maintain student numbers and to deliver the best curriculum as it evolves over the coming years.

The Academy has recently been accredited a Teaching School which now allows us to offer Initial Teacher Training, Professional Development and school improvement support with the aim of raising standards in every school across our local "cluster". This programme will be a key focus during the current year and we have appointed an additional Deputy Head to lead this development.

Financially, we are managing well to budget and running a small surplus. The PFI contract removes much of the risk of unexpected expenditure on building maintenance and this allows us to work to a relatively small contingency and maximise our spend on teaching and learning. We believe there are further opportunities to improve the long-term value of the PFI contract and we are working closely with Wiltshire Council to achieve this.

The Board's biggest challenge now is to ensure the very high standards that RWBA has set itself can be maintained, to provide the best education to every student, to further improve examination results, to manage the introduction of the new curriculum and GCSE examinations, and to exploit the opportunities presented by Teaching School Status.

The Academy is well resourced and well managed to respond to these challenges and the Board has every confidence that, in George Croxford and his team, we have the best people in place to ensure that education in Royal Wootton Bassett Academy continues to go from strength to strength.

**David Gardner**

Chairman of Board of Governors, Royal Wootton Bassett Academy

# ROYAL WOOTTON BASSETT ACADEMY

## GOVERNORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2013**

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### **Objectives and activities**

#### Objects and aims

We believe in

- the pursuit of learning for the academic, spiritual, social, moral, cultural, physical and personal development of pupils
- providing a broad and balanced curriculum, which presents challenging opportunities for all pupils
- maintaining a caring community, which encourages courteous and considerate behaviour within an effective and stimulating learning environment
- valuing pupils equally and celebrating their contributions and achievements
- the desirability of all pupils taking an increasing responsibility for their own learning, decision making and actions
- encouraging the contributions of all staff
- the value of links with the wider local, national and global community
- the principles and practice of equal opportunity

#### Objectives, strategies and activities

We will seek to

- support and guide pupils in formulating and achieving realistic and appropriate personal development plans
- achieve a smooth progression through and beyond the various phases of formal education
- promote activities, which provide interaction between the Academy, business and the global community for the enrichment of pupils, curriculum and the community itself
- encourage the involvement of parents for the benefit of pupil development
- support an organisational and management structure that fosters effective curriculum development and delivery, facilitates communication and involves Governors, staff, pupils and parents in the development of the Academy
- encourage and guide staff in broadening their perspectives, framing realistic career targets and supporting their achievement through stated school development plans
- support all staff in fulfilling their designated roles
- secure the maximum benefits from the financial resources available to the Academy

#### Public benefit

The Governors have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties

### **Achievements and performance**

#### Achievements in the year

See Headteachers report below

# ROYAL WOOTTON BASSETT ACADEMY

## GOVERNORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2013**

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### Headteacher's Report

RWBA has flourished in its second year as an Academy and has started to take a greater lead in the development of schools in our cluster. We are a partner in the North Wiltshire Learning Trust and have successfully achieved Teaching School status and lead an alliance of one other secondary school and 11 primary, junior and infant schools. Our Headteacher has become a national leader in education and the Academy has been designated a National Support School.

Our Challenge Partner hub continues to be the only all Outstanding hub within the partnership and we have set up groups to work on boys' achievement, literacy, gifted and talented and pupil premium students. We have also joined the 'Challenge the Gap' programme and are leading a triad of schools to improve outcomes for FSM (Free School Meals) students. Our partner schools in this are two of our thirty-eight feeder primary schools, namely Longleaze and Noremarsch.

The Academy's attendance last year was 94.8%. We, unfortunately, had to permanently exclude one student. We had great success in our results at both Key Stage 4 and 5. A-level results bucked the national trends and improved percentages achieving A\* and A\*-B. All students who wanted to go to university next year gained places to study a wide range of subjects such as photography, politics, medicine and veterinary studies at a variety of universities including Oxford and Cambridge. Our GCSE results went back up to equal our best ever headline figure of 64% 5A\*-C including English and Maths. These results reflect an immense amount of hard work by our students, staff and parents.

There has been success in all areas of the Academy. Examples include our amazing swing band with two of our musicians making the national youth orchestra and another being nominated for young musician of the year, our swimming relay team making the national finals for the first time, winning DT and MFL competitions, students thriving on work experience and successful trips running to America, France, Belgium and Italy to name but a few. Some of our students are trained Anti-Bullying Ambassadors and we fully participated in the 'Zero Tolerance' Campaign, using peer influence to provide students with the skills they need to be well rounded citizens. As the lead reviewer said at our Challenge Partner review, "Every child really does matter at RWBA".

Internationalism, developing the whole person and giving back to society are fundamental parts of our Academy ethos. This year we have further developed our global learning programme and concentrated all our fund raising on one project which was to build a school in Burma. The target was £15,000 and we raised £13,500 towards it in the year. The School has been built and opened in September to students. This amazing success is down to the phenomenal dedication of several students and one teacher in particular, Ms Hester McCunn. Annually we continue to be committed to other charities and community ventures such as CRY UK, NSPCC, food parcels to the elderly and homeless and remain very much aware of our responsibilities to our local, national and global communities.

We have had major changes in our ICT infrastructure, moving to a vanilla network and investing heavily in new systems. This has been very successful in supporting both teaching and learning and administration. The Academy now has a regular planned investment programme to ensure we keep up-to-date with ICT developments. We look to embrace technological advances and use them to benefit our students. During the year we set up iPad champions in each faculty to trial their use in lessons. The success of this has led to taking this Academy wide.



# ROYAL WOOTTON BASSETT ACADEMY

## GOVERNORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2013**

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Our numbers continue to grow and this year we welcomed over 300 students into Year 7. This is the best indicator that parents trust us to deliver a quality education to their children. A second, successful Summer School also reinforced our commitment to help and support the most vulnerable Year 6 pupils moving into Year 7. Our finances have now moved to a position where we have a surplus to take through to next year, which is essential in these challenging times. We continue to strive to gain the very best value for our students from our PFI contract.

This has been, without question, a very successful year for the RWBA.

**George Croxford**

Headteacher Royal Wootton Bassett Academy

### 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 the Governing Body continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

### Financial review

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

The Academy also received grants for fixed assets from the EFA via the Local Authority. 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 is reduced by annual depreciation charges over the expected useful life of the assets concerned.

### Principal risks and uncertainties

The principal risks identified fall into two main categories which are

- 1 Financial (student numbers) and
- 2 ICT network

### Financial and risk management objectives and policies

The Academy has its own policy and a regularly (annually) updated risk register. The Governors' Finance and Premises Committee is responsible for overseeing the development and implementation of the Academy's risk management strategy on behalf of the Board.

### Reserves policy

As its premises are covered by a PFI agreement until 2030, the Academy aims to focus annual income towards current year Teaching and Learning, whilst keeping a reserve to ensure the smooth transition from year-to-year and meet any extraordinary curriculum needs.

### Investment policy and powers

The Governors have authorised the use of short term deposit accounts and notice deposit accounts where cash held is surplus to immediate requirements.

# ROYAL WOOTTON BASSETT ACADEMY

## GOVERNORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2013**

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### **Plans for the future**

Governors and the Senior Leadership team of the Academy meet annually to review the key objectives and the annual school improvement plans

The key strategic objectives for the next five years are

- Maintain outstanding status
- Excellent teaching and learning
- Clarify view of future curriculum offering
- Drive PFI contract value for money
- Develop and exploit Teaching School status
- Establish plans for multi school co-operation model

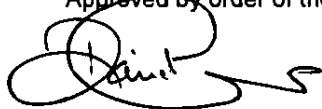
### **Auditor**

In so far as the Governors are aware

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

A resolution proposing that Moore Stephens (South) LLP be reappointed as auditor of the charitable company will be put to the members

Approved by order of the Governing Body on 04 December 2013 and signed on its behalf by



D Gardner  
**Chair of governors**

# ROYAL WOOTTON BASSETT ACADEMY

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2013**

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### Scope of responsibility

As Governors we acknowledge we have overall responsibility for ensuring that Royal Wootton Bassett Academy 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 Royal Wootton Bassett Academy and the Secretary of State for Education. He is 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 5 times during the year. Attendance during the year at meetings of the Main Governing Body was as follows:

<b>Governors</b>	<b>Meetings attended</b>	<b>Out of possible</b>
D Gardner (Chair of governors)	4	5
A Bacon (Resigned 31 October 2013)	2	5
A Bell (Staff governor)	4	5
G Campbell (Chair of Curriculum & Learning)	5	5
S Finegan (Resigned 1 September 2013)	3	5
T Foot	4	5
M Groom	3	5
N Jobbins (Resigned 31 October 2013)	4	5
A McFarlane	3	5
J Miller (Staff governor)	4	5
C Parkinson	4	5
P Sheppard (Staff governor)	5	5
M Sweet (Chair of Staffing & Pupil Welfare)	5	5
P Tanner (Chair of Finance & Premises)	5	5
T Upham	5	5
L Warwick	3	5
S Wright	4	5
K Wright (Appointed 1 December 2012)	2	3
T Woodhouse	3	5
G Croxford (Headteacher)	5	5

# ROYAL WOOTTON BASSETT ACADEMY

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2013**

The Finance and Premises Committee is a sub-committee of the main Governing Body. Its purpose is to assist the decision making of the Governing Body, by enabling more detailed consideration to be given to the best means of fulfilling the Governing Body's responsibility to ensure sound management of the Academy's finances and resources, including proper planning, monitoring and probity.

Attendance during the period at meetings of the Finance and Premises Committee was as follows:

Governors	Meetings attended	Out of possible
D Gardner (Chair of governors)	4	5
A Bacon (Resigned 31 October 2013)	1	5
T Foot	4	5
N Jobbins (Resigned 31 October 2013)	4	5
A McFarlane	3	5
C Parkinson	4	5
P Tanner (Chair of Finance & Premises)	5	5
K Wright (Appointed 1 December 2012)	2	3
G Croxford (Headteacher)	5	5

### The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Royal Wootton Bassett Academy for the period 1 September 2012 to 31 August 2013 and up to the date of approval of the annual report and accounts.

### Capacity to handle risk

The Board of Governors has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2012 to 31 August 2013 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Board of Governors.

### The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body,
- regular reviews by the Finance 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.

# ROYAL WOOTTON BASSETT ACADEMY

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2013**

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The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the Governors have appointed Wiltshire Council Accounting and Budget Support, as Responsible Officer (RO)

The RO's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a quarterly basis, the RO reports to the Governing Body on the operation of the systems of control and on the discharge of the financial responsibilities of the Governing Body

### **Review of effectiveness**

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

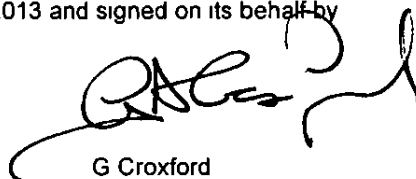
- the work of the Responsible Officer,
- the work of the external auditor,
- the financial management and governance self-assessment process,
- the work of the Executive Managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the Governing Body on 04 December 2013 and signed on its behalf by



D Gardner  
Chair of governors



G Croxford  
Headteacher

# **ROYAL WOOTTON BASSETT ACADEMY**

## **STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2013**

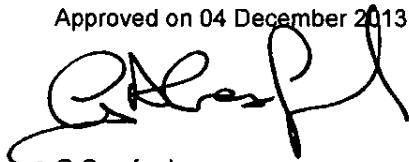
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As Accounting Officer of Royal Wootton Bassett Academy I have considered my responsibility to notify the Academy Trust Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with Education Funding Agency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

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

Approved on 04 December 2013 and signed by



G Croxford  
**Accounting Officer**

# ROYAL WOOTTON BASSETT ACADEMY

## STATEMENT OF GOVERNORS' RESPONSIBILITIES

---

The Governors (who act as trustees for Royal Wootton Bassett Academy and are also the Directors of Royal Wootton Bassett Academy for the purposes of company law) are responsible for preparing the Governors' Report and the accounts in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations

Company law requires the Governors to prepare accounts for each financial year. Under company law the Governors 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 its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing these accounts, the Governors are required to

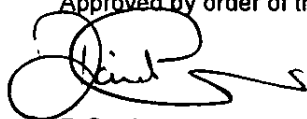
- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material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

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the 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 that grants received from the EFA/DfE have been applied for the purposes intended.

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

Approved by order of the Governing Body on 04 December 2013 and signed on its behalf by



D Gardner  
Chair of governors

# **ROYAL WOOTTON BASSETT ACADEMY**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF ROYAL WOOTTON BASSETT ACADEMY**

---

We have audited the accounts of Royal Wootton Bassett Academy for the year ended 31 August 2013 set out on pages 18 to 39. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 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 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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of Governors and auditors**

As explained more fully in the Governors' Responsibilities Statement set out on page 13, the Governors, who are also the directors of Royal Wootton Bassett Academy 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.

#### **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 charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Governors, and the overall presentation of the 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 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and in accordance with the requirements of the Companies Act 2006, and
- have been prepared in accordance with the Academies Accounts Direction 2013 issued by the EFA.

#### **Emphasis of matter**

In forming our opinion, we have considered the adequacy of the disclosures made in note 19 of the financial statements concerning the uncertainty of the values surrounding the PFI charge over the next 20 years. In view of the significance of this uncertainty we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

#### **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.



# ROYAL WOOTTON BASSETT ACADEMY

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF ROYAL WOOTTON BASSETT ACADEMY

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#### **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 Governors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



**Mr Andrew Williams (Senior Statutory Auditor)**  
**for and on behalf of Moore Stephens (South) LLP**

**Chartered Accountants**  
**Statutory Auditor**  
33 The Clarendon Centre  
Dairy Meadow Lane  
Salisbury , Wiltshire,  
SP1 2TJ

Dated 4 December 2013

# ROYAL WOOTTON BASSETT ACADEMY

## INDEPENDENT REPORTING AUDITOR'S ASSURANCE REPORT ON REGULARITY TO ROYAL WOOTTON BASSETT ACADEMY AND THE EDUCATION FUNDING AGENCY

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In accordance with the terms of our engagement letter dated 07 March 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Royal Wootton Bassett Academy during the period 1 September 2012 to 31 August 2013 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them

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

### **Respective responsibilities of Royal Wootton Bassett Academy's accounting officer and the reporting auditor**

The Accounting Officer is responsible, under the requirements of Royal Wootton Bassett Academy's funding agreement with the Secretary of State for Education dated 23 March 2010 and the Academies Financial Handbook, extant from 1 September 2012, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2013. We report to you whether 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 1 September 2012 to 31 August 2013 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them

### **Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes

- consideration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance,
- analytical procedures on the general activities of the Academy Trust,
- a review of Minutes of Committees and Board Meetings which may be relevant to regularity,
- consideration of discussions with key personnel, including the Accounting Officer and Governing Body,
- tests of control have been carried out on a control activity which are relevant to regularity,
- substantive testing of individual transactions

## **ROYAL WOOTTON BASSETT ACADEMY**

### **INDEPENDENT REPORTING AUDITOR'S ASSURANCE REPORT ON REGULARITY TO ROYAL WOOTTON BASSETT ACADEMY AND THE EDUCATION FUNDING AGENCY (CONTINUED)**

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#### **Conclusion**

In the course of our work, except for the matters listed below nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2012 to 31 August 2013 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them



**Mr Andrew Williams (Senior Statutory Auditor)  
for and on behalf of Moore Stephens (South) LLP**

Dated 04 December 2013

# ROYAL WOOTTON BASSETT ACADEMY

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2013

		Unrestricted funds £	Restricted funds £	Fixed Asset fund £	Total 2013 £	Total 2012 £
<b><u>Incoming resources</u></b>	<b>Notes</b>					
<i>Resources from generated funds</i>						
- Inherited on conversion		-	-	-	-	3,469,586
- Activities for generating funds	2	478,125	-	-	478,125	353,972
- Investment income	3	819	-	-	819	1,118
<i>Resources from charitable activities</i>						
- Funding for educational operations	4	-	8,074,362	28,593	8,102,955	8,632,804
<b>Total incoming resources</b>		<b>478,944</b>	<b>8,074,362</b>	<b>28,593</b>	<b>8,581,899</b>	<b>12,457,480</b>
<b><u>Resources expended</u></b>						
<i>Costs of generating funds</i>						
<i>Charitable activities</i>						
- Educational operations	6	207,002	7,966,484	118,309	8,291,795	8,683,705
Governance costs	7	-	49,961	-	49,961	25,946
<b>Total resources expended</b>	<b>5</b>	<b>207,002</b>	<b>8,016,445</b>	<b>118,309</b>	<b>8,341,756</b>	<b>8,709,651</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>271,942</b>	<b>57,917</b>	<b>(89,716)</b>	<b>240,143</b>	<b>3,747,829</b>
Gross transfers between funds		(271,942)	114,129	157,813	-	-
<b>Net income/(expenditure) for the year</b>		<b>-</b>	<b>172,046</b>	<b>68,097</b>	<b>240,143</b>	<b>3,747,829</b>
<b><u>Other recognised gains and losses</u></b>						
Actuarial gains/(losses) on defined benefit pension scheme	16	-	62,000	-	62,000	(290,000)
<b>Net movement in funds</b>		<b>-</b>	<b>234,046</b>	<b>68,097</b>	<b>302,143</b>	<b>3,457,829</b>
Fund balances at 1 September 2012		-	(977,092)	3,910,921	2,933,829	(524,000)
<b>Fund balances at 31 August 2013</b>		<b>-</b>	<b>(743,046)</b>	<b>3,979,018</b>	<b>3,235,972</b>	<b>2,933,829</b>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. A statement of total recognised gains and losses is not required as all gains and losses are included in the statement of financial activities.

All of the academy's activities derive from continuing operations during the two financial periods above.

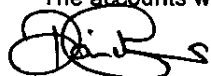
# ROYAL WOOTTON BASSETT ACADEMY

## BALANCE SHEET

AS AT 31 AUGUST 2013

	Notes	2013 £	£	2012 £	£
<b>Fixed assets</b>					
Tangible assets	10		3,979,018		3,910,921
<b>Current assets</b>					
Debtors	11	483,928		534,035	
Cash at bank and in hand		312,437		360,840	
		796,365		894,875	
Creditors amounts falling due within one year	12	(779,411)		(1,072,967)	
<b>Net current liabilities</b>			16,954		(178,092)
<b>Total assets less current liabilities</b>			3,995,972		3,732,829
Defined benefit pension liability	16	(760,000)		(799,000)	
<b>Net assets</b>			3,235,972		2,933,829
<b>Funds of the Academy Trust.</b>					
<b>Restricted income funds</b>	14				
- Fixed asset funds			3,979,018		3,910,921
- General funds			16,954		(178,092)
- Pension reserve			(760,000)		(799,000)
<b>Total restricted funds</b>			3,235,972		2,933,829
<b>Unrestricted funds</b>	14		-		-
<b>Total funds</b>			3,235,972		2,933,829

The accounts were approved by order of the Governing Body and authorised for issue on 04 December 2013



D Gardner  
Chair of governors

Company Number 07569743

# ROYAL WOOTTON BASSETT ACADEMY

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2013

	Notes	2013 £	2012 £
Net cash inflow/(outflow) from operating activities	17	109,751	490,086
<b>Returns on investments and servicing of finance</b>			
Investment income	819	1,118	
Financing costs	(1,160)	(2,558)	
<b>Net cash inflow/(outflow) from returns on investments and servicing of finance</b>		(341)	(1,440)
		109,410	488,646
<b>Capital expenditure and financial investments</b>			
Capital grants received	28,593	33,047	
Payments to acquire tangible fixed assets	(186,406)	(160,853)	
<b>Net cash flow from capital activities</b>		(157,813)	(127,806)
<b>Increase/(decrease) in cash</b>	18	(48,403)	360,840

# ROYAL WOOTTON BASSETT ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2013

---

### 1 Accounting policies

#### 1.1 Basis of preparation

The accounts 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 Education Funding Agency and the Companies Act 2006. 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, ie 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

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.

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

##### 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 and the value of the donation is measurable.

##### 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 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 the Academy Trust's policies.

# ROYAL WOOTTON BASSETT ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

### 1 Accounting policies

(Continued)

#### 1.4 Resources expended

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

##### Costs of generating funds

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 Governors' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

#### 1.5 Tangible fixed assets and depreciation

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 over its expected useful life, as follows:

Freehold land is not depreciated

Freehold buildings	2% straight line
Computer equipment	33% straight line
Fixtures, fittings & equipment	10% straight line
Motor vehicles	25% straight line

#### 1.6 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.



# ROYAL WOOTTON BASSETT ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

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### 1 Accounting policies

(Continued)

#### 1.7 Taxation

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

#### 1.8 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 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 16, 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 are 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.

#### 1.9 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 Education Funding Agency 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 Education Funding Agency.

# ROYAL WOOTTON BASSETT ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

### 2 Activities for generating funds

	Unrestricted funds £	Restricted funds £	Total 2013 £	Total 2012 £
School bus income	108,639	-	108,639	47,671
Music tuition	44,077	-	44,077	37,228
Faculties	15,679	-	15,679	35,507
Trips income	133,895	-	133,895	151,624
Departmental income	19,000	-	19,000	8,103
School Shop	18,160	-	18,160	13,043
Other income	138,675	-	138,675	60,796
	<u>478,125</u>	<u>-</u>	<u>478,125</u>	<u>353,972</u>

Included within other income are exam fees income, lockers income, charity receipts, School Trends income and staff subs and book club income

The comparative year to 31 August 2012 covers a period of 14 months

### 3 Investment income

	Unrestricted funds £	Restricted funds £	Total 2013 £	Total 2012 £
Other investment income	819	-	819	1,118
	<u>819</u>	<u>-</u>	<u>819</u>	<u>1,118</u>

The comparative year to 31 August 2012 covers a period of 14 months

### 4 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2013 £	Total 2012 £
<b>DfE / EFA revenue grants</b>				
General annual grant (GAG)	-	7,593,097	7,593,097	8,234,512
Capital grants	-	28,593	28,593	33,047
Other DfE / EFA grants	-	218,900	218,900	122,199
	<u>-</u>	<u>7,840,590</u>	<u>7,840,590</u>	<u>8,389,758</u>
<b>Other government grants</b>				
Local authority grants	-	5,030	5,030	8,101
Other grants	-	257,335	257,335	234,945
	<u>-</u>	<u>262,365</u>	<u>262,365</u>	<u>243,046</u>
<b>Total funding</b>	<u>-</u>	<u>8,102,955</u>	<u>8,102,955</u>	<u>8,632,804</u>

# ROYAL WOOTTON BASSETT ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

### 4 Funding for the Academy Trust's educational operations (Continued)

The comparative year to 31 August 2012 covers a period of 14 months

### 5 Resources expended

	Staff costs £	Premises & equipment £	Other costs £	Total 2013 £	Total 2012 £
<b>Academy's educational operations</b>					
- Direct costs	5,394,478	118,309	1,850,043	7,362,830	7,849,473
- Allocated support costs	405,841	6,576	516,548	928,965	834,232
	<u>5,800,319</u>	<u>124,885</u>	<u>2,366,591</u>	<u>8,291,795</u>	<u>8,683,705</u>
<b>Other expenditure</b>					
Governance costs	-	-	49,961	49,961	25,946
	<u>-</u>	<u>-</u>	<u>49,961</u>	<u>49,961</u>	<u>25,946</u>
<b>Total expenditure</b>	<u>5,800,319</u>	<u>124,885</u>	<u>2,416,552</u>	<u>8,341,756</u>	<u>8,709,651</u>
<b>Incoming/outgoing resources for the year include</b>				<b>2013 £</b>	<b>2012 £</b>
Operating leases				131,918	197,040
Fees payable to auditor					
- Audit				4,700	4,500
- Other services				4,418	3,250
- Responsible Officer fee				1,220	644
				<u>10,336</u>	<u>8,394</u>

The comparative year to 31 August 2012 covers a period of 14 months

# ROYAL WOOTTON BASSETT ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

### 6 Charitable activities - the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2013 £	Total 2012 £
<b>Direct costs</b>				
Teaching and educational support staff costs	-	5,394,478	5,394,478	5,739,164
Depreciation	-	118,309	118,309	17,583
Technology costs	-	197,956	197,956	276,689
Educational supplies and services	-	198,036	198,036	209,132
Examination fees	-	133,208	133,208	147,788
Staff development	-	40,660	40,660	16,795
PFI charges	-	995,546	995,546	1,121,861
Other direct costs	11,348	273,289	284,637	320,461
	<u>11,348</u>	<u>7,351,482</u>	<u>7,362,830</u>	<u>7,849,473</u>
<b>Allocated support costs</b>				
Support staff costs	-	405,841	405,841	417,303
Technology costs	-	3,379	3,379	8,986
Recruitment and support	-	41,454	41,454	39,547
Maintenance of premises and equipment	-	6,576	6,576	9,659
Cleaning	-	4	4	-
Rent and rates	-	58,029	58,029	66,101
Insurance	-	37,747	37,747	41,923
Security and transport	148,041	33,756	181,797	100,678
Interest and finance costs	-	23,160	23,160	19,558
Other support costs	47,613	123,365	170,978	130,477
	<u>195,654</u>	<u>733,311</u>	<u>928,965</u>	<u>834,232</u>
<b>Total costs</b>	<u>207,002</u>	<u>8,084,793</u>	<u>8,291,795</u>	<u>8,683,705</u>

The comparative year to 31 August 2012 covers a period of 14 months

### 7 Governance costs

	Unrestricted funds £	Restricted funds £	Total 2013 £	Total 2012 £
Legal and professional fees	-	45,261	45,261	21,446
Auditor's remuneration	-	4,700	4,700	4,500
- Audit of financial statements	-	49,961	49,961	25,946

The comparative year to 31 August 2012 covers a period of 14 months

# ROYAL WOOTTON BASSETT ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2013

### 8 Staff costs

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

	2013 Number	2012 Number
Teachers	96	91
Administration and support	47	48
Management	10	7
	<u>153</u>	<u>146</u>

#### Costs included within the accounts:

	2013 £	2012 £
Wages and salaries	4,792,414	5,102,395
Social security costs	289,001	312,045
Other pension costs	692,808	717,489
	<u>5,774,223</u>	<u>6,131,929</u>
Supply teacher costs	24,576	11,279
Compensation payments	1,520	13,259
	<u>5,800,319</u>	<u>6,156,467</u>

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

	2013 Number	2012 Number
£60,001 - £70,000	1	3
£80,001 +	1	1

Of the employees above, the number participating in pension schemes and the employers' contributions paid on their behalf were as follows

		2013	2012
Teachers' Pension Scheme	Numbers	2	3
	£	23,993	44,062

The comparative year to 31 August 2012 covers a period of 14 months

# ROYAL WOOTTON BASSETT ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

### 9 Governors' remuneration and expenses

The Headteacher and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of their services as Governors. Other Governors did not receive any payments.

The value of Governors' remuneration was as follows:

G Croxford (headteacher) £105,000 - £110,000 (2012: £115,000 - £120,000)

A Bell (staff) £50,000 - £55,000 (2012: £50,000 - £55,000)

J Miller (staff) £30,000 - £35,000 (2012: £35,000 - £40,000)

P Sheppard (staff) £5,000 - £10,000 (2012: £10,000 - £15,000)

Other related party transactions involving the Governors are set out within the related parties note.

### Governors' and officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2013 was included within the main school policy premium.

### 10 Tangible fixed assets

	Land and buildings	Plant & machinery	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 September 2012	3,767,651	6,835	131,323	-	22,695	3,928,504
Additions	-	1,035	179,597	5,774	-	186,406
At 31 August 2013	3,767,651	7,870	310,920	5,774	22,695	4,114,910
<b>Depreciation</b>						
At 1 September 2012	-	114	13,896	-	3,573	17,583
Charge for the year	40,387	701	71,389	158	5,674	118,309
At 31 August 2013	40,387	815	85,285	158	9,247	135,892
<b>Net book value</b>						
At 31 August 2013	3,727,264	7,055	225,635	5,616	13,448	3,979,018
At 31 August 2012	3,767,651	6,721	117,427	-	19,122	3,910,921

# ROYAL WOOTTON BASSETT ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

### 10 Tangible fixed assets

(Continued)

The land and buildings were valued on the depreciated replacement cost method in an exercise undertaken by the Education Funding Agency as at the 31 August 2012. The land was valued at £1,748,309 and the buildings at £2,019,342, the buildings relate solely to the 6th form building which was built separately from the PFI contract by Wotton Bassett School and brought in to use in the academic year 2007/08. The Academy has not obtained a separate valuation. The Academy did not consider it an effective use of public funds to obtain an additional valuation.

The buildings are managed on a PFI contract which has a further 19 years to run, see note 20. This contract would usually be capitalised but due to uncertainty over the future costs of the contract in this instance it has not been. The buildings, as valued by the above mentioned EFA valuation, is £18,586,192.

### 11 Debtors

	2013 £	2012 £
Trade debtors	33,020	45,371
VAT recoverable	214,797	184,628
Other debtors	68,128	129,134
Prepayments and accrued income	167,983	174,902
	<u>483,928</u>	<u>534,035</u>

### 12 Creditors: amounts falling due within one year

	2013 £	2012 £
Trade creditors	218,751	384,608
Taxes and social security costs	202,902	177,661
Other creditors	-	(1,200)
Accruals	135,874	118,057
Deferred income	221,884	393,841
	<u>779,411</u>	<u>1,072,967</u>

# ROYAL WOOTTON BASSETT ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2013

13	Deferred income	2013 £	2012 £
	Deferred income is included within		
	Creditors due within one year	221,884	393,841
		<u>221,884</u>	<u>393,841</u>
	Total deferred income at 1 September 2012	393,841	-
	Amounts credited to the statement of financial activities	(393,841)	-
	Amounts deferred in the year	221,884	393,841
		<u>221,884</u>	<u>393,841</u>
	<b>Total deferred income at 31 August 2013</b>	<b>221,884</b>	<b>393,841</b>

Deferred income relates to income which was received in the year to 31 August 2013 but actually relates to the year ended 31 August 2014

At the Balance Sheet date the Academy Trust was holding funds received in advance for Extended Services, School Trips, Bus Income, Staff Subscriptions and Music Fees for September 2013



# ROYAL WOOTTON BASSETT ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

### 14 Funds

	Balance at 1 September 2012	Incoming resources	Resources expended	Gains, losses and transfers	Balance at 31 August 2013
	£	£	£	£	£
<b>Restricted general funds</b>					
General Annual Grant	(178,092)	7,593,097	(7,993,445)	583,713	5,273
Other DfE / EFA grants	-	218,900	-	(214,536)	4,364
Other government grants	-	262,365	-	(255,048)	7,317
Funds excluding pensions	(178,092)	8,074,362	(7,993,445)	114,129	16,954
Pension reserve	(799,000)	-	(23,000)	62,000	(760,000)
	(977,092)	8,074,362	(8,016,445)	176,129	(743,046)
<b>Restricted fixed asset funds</b>					
DfE / EFA capital grants	-	28,593	(118,309)	-	(89,716)
Inherited fixed asset fund	3,910,921	-	-	-	3,910,921
Capital expenditure from GAG or other funds	-	-	-	157,813	157,813
	3,910,921	28,593	(118,309)	157,813	3,979,018
<b>Total restricted funds</b>	<b>2,933,829</b>	<b>8,102,955</b>	<b>(8,134,754)</b>	<b>333,942</b>	<b>3,235,972</b>
<b>Unrestricted funds</b>					
General funds	-	478,944	(207,002)	(271,942)	-
	-	478,944	(207,002)	(271,942)	-
<b>Total funds</b>	<b>2,933,829</b>	<b>8,581,899</b>	<b>(8,341,756)</b>	<b>62,000</b>	<b>3,235,972</b>

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

Restricted General funds are those which are supplied for a specific duty and the funds spent only in accordance with the agreement or restriction placed upon each

Restricted Fixed Asset Funds are those assets which have been capitalised as a result of a donation from the original school on conversion to an academy or assets purchased from one of the other funds since gaining academy status and transferred

Unrestricted Funds are all other sources of income generated by the academy through trading or fundraising and to which no restrictions apply regarding the way they are spent

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

# ROYAL WOOTTON BASSETT ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

### 15 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Fixed asset funds	Total funds
	£	£	£	£
<b>Fund balances at 31 August 2013 are represented by:</b>				
Tangible fixed assets	-	-	3,979,018	3,979,018
Current assets	-	796,365	-	796,365
Creditors amounts falling due within one year	-	(779,411)	-	(779,411)
Defined benefit pension liability	-	(760,000)	-	(760,000)
	-	(743,046)	3,979,018	3,235,972

### 16 Pensions and similar obligations

The Academy Trust'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 Wiltshire Council Both are defined-benefit schemes The pension costs are assessed in accordance with the advice of independent qualified actuaries The latest actuarial valuation of the TPS related to the period ended 31 August 2013 and of the LGPS 31 August 2013

Contributions amounting to £90,780 (2012 £79,347) were payable to the schemes at 31 August and are included within creditors

#### Teachers' Pension Scheme

##### Introduction

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

##### The Teachers' Pension Scheme budgeting and valuation account

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

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

# ROYAL WOOTTON BASSETT ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2013

#### 16 Pensions and similar obligations

(Continued)

##### Valuation of the Teachers' Pension Scheme

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

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

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

##### Teachers' Pension Scheme changes

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

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

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

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

# ROYAL WOOTTON BASSETT ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

### 16 Pensions and similar obligations

(Continued)

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy trust is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy trust 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 trust has set out above the information available on the scheme.

#### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 21 per cent for employers and 5.5 to 7.5 per cent for employees. The estimated value of employer contributions for the forthcoming year is £186,000.

The Academy has agreed to pay the default contributions rates using contribution rate relief, these future rates are as follows:

Period	Employer Contribution Rate	Annual Monetary Amount
2014/2015	17.5%	£30,000
2015/2016	17.8%	£35,000
2016/2017	18.0%	£40,000

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

	2013 £	2012 £
Employer's contributions	188,000	255,000
Employees' contributions	55,000	79,000
Total contributions	<u>243,000</u>	<u>334,000</u>

#### Principal actuarial assumptions

	2013 %	2012 %
Rate of increase in salaries	5.10	4.50
Rate of increase for pensions in payment	2.80	2.20
Discount rate for scheme liabilities	4.60	4.10
Inflation assumption (CPI)	2.20	2.20
Commutation of pensions to lump sums	75.00	75.00

# ROYAL WOOTTON BASSETT ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

### 16 Pensions and similar obligations

(Continued)

Change in assumptions at 31st August 2013

	Approximate % increase in employer liability	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	11%	296
1 year increase in member life expectancy	3%	79
0.5% increase in the Salary Increase Rate	5%	120
0.5% increase in the Pension Increase Rate	6%	169

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

	2013 Years	2012 Years
Retiring today		
- Males	21	21
- Females	24	24
Retiring in 20 years		
- Males	26	25
- Females	26	26

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

	2013 Expected return %	2013 Fair value £	2012 Expected return %	2012 Fair value £
Equities	6.60	1,340,000	5.50	969,000
Other bonds	4.10	279,000	3.50	274,000
Cash	3.60	56,000	2.80	43,000
Property	3.60	186,000	3.70	159,000
Total market value of assets		1,861,000		1,445,000
Present value of scheme liabilities - funded		(2,621,000)		(2,244,000)
Net pension asset / (liability)		(760,000)		(799,000)

The expected return on assets is based on the long term future expected investment return for each asset class as at the beginning of the period (i.e. As at 1 September 2012 for the year to 31 August 2013). The return on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an adjustment to reflect the default risk) respectively at the relevant date. The returns on equities and property are then assumed to be a margin above gilt yields.

The actual return on the scheme assets was £193,000 (2012: £45,000)

# ROYAL WOOTTON BASSETT ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

### 16 Pensions and similar obligations

(Continued)

#### Operating costs and income recognised in the statement of financial activities

	2013 £	2012 £
<b>Financial expenditure/(income)</b>		
Expected return on pension scheme assets	(75,000)	(124,000)
Interest on pension liabilities	97,000	141,000
	<u>22,000</u>	<u>17,000</u>
<b>Other expenditure/(income)</b>		
Current service cost	1,000	(32,000)
Past service cost	-	-
	<u>1,000</u>	<u>(32,000)</u>
<b>Total operating charge/(income)</b>	<u>23,000</u>	<u>(15,000)</u>

#### Actuarial gains and losses recognised in the statement of financial activities

	2013 £	2012 £
Actuarial (gains)/losses on assets actual return less expected	(119,000)	98,000
Experience (gains)/losses on liabilities	57,000	192,000
(Gains)/losses arising from changes in assumptions	-	-
<b>Total (gains)/losses</b>	<u>(62,000)</u>	<u>290,000</u>
<b>Cumulative (gains)/losses to date</b>	<u>228,000</u>	<u>290,000</u>

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

	2013 £	2012 £
Opening defined benefit obligations	(2,244,000)	(1,659,000)
Current service cost	(189,000)	(223,000)
Interest cost	(97,000)	(141,000)
Contributions by employees	(55,000)	(79,000)
Actuarial gains/(losses)	(57,000)	(192,000)
Benefits paid	21,000	50,000
	<u>(2,621,000)</u>	<u>(2,244,000)</u>

# ROYAL WOOTTON BASSETT ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

### 16 Pensions and similar obligations

(Continued)

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

	2013 £	2012 £
Opening fair value of scheme assets	1,445,000	1,135,000
Expected return on assets	75,000	124,000
Actuarial gains/(losses)	119,000	(98,000)
Contributions by employers	188,000	255,000
Contributions by employees	55,000	79,000
Benefits paid	(21,000)	(50,000)
	<u>1,861,000</u>	<u>1,445,000</u>

#### History of experience gains and losses

	2013 £	2012 £
Present value of defined benefit obligations	(2,621,000)	(2,244,000)
Fair value of share of scheme assets	<u>1,861,000</u>	<u>1,445,000</u>
Surplus / (deficit)	<u>(760,000)</u>	<u>(799,000)</u>
Experience adjustment on scheme liabilities	(57,000)	(192,000)
Experience adjustment on scheme assets	<u>119,000</u>	<u>(98,000)</u>

### 17 Reconciliation of net income to net cash inflow/(outflow) from operating activities

	2013 £	2012 £
Net income	240,143	3,747,829
Capital grants and similar income	(28,593)	(33,047)
Net deficit/(surplus) transferred on conversion	-	(3,469,586)
Net current assets other than cash transferred on conversion	-	(298,065)
Investment income	(819)	(1,118)
Financing costs	1,160	2,558
FRS17 pension costs less contributions payable	1,000	(32,000)
FRS17 pension finance income	22,000	17,000
Depreciation of tangible fixed assets	118,309	17,583
(Increase)/decrease in debtors	50,107	(534,035)
Increase/(decrease) in creditors	(293,556)	1,072,967
Net cash inflow/(outflow) from operating activities	<u>109,751</u>	<u>490,086</u>

# ROYAL WOOTTON BASSETT ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

18	Reconciliation of net cash flow to movement in net funds	2013 £	2012 £
	Increase/(decrease) in cash	(48,403)	360,840
	Net funds at 1 September 2012	360,840	-
	Net funds at 31 August 2013	312,437	360,840

19	Analysis of net funds	At 1 September 2012 £	Cash flows £	Non-cash changes £	At 31 August 2013 £
	Cash at bank and in hand	360,840	(48,403)	-	312,437

## 20 Commitments under operating leases

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

	2013 £	2012 £
Expiry date		
- Within one year	49,962	3,210
- Between two and five years	66,045	243,722
	116,007	246,932

The academy buildings are provided on a PFI contract which at 31 August 2013 had a further 19 years to run. No financial commitment has been included for this contract in the above note because of a shortfall in available information to calculate the cost over the life of the contract. The basic annual payment and affordability gap paid for the 12 months to 31 August 2013 was £1,028,734 and the cost for the year to 31 August 2014 is expected to be £1,019,666.

## 21 Related parties

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

No related party transactions took place in the period of account.



# **ROYAL WOOTTON BASSETT ACADEMY**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2013***

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### **22 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member