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COMPANY REGISTRATION NUMBER 07807158

Moulton School and Science College
Company Limited by Guarantee
Financial Statements
31 August 2013

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Moulton School and Science College Company Limited by Guarantee

Financial Statements

Year ended 31 August 2013

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Moulton School and Science College Company Limited by Guarantee

Reference and Administrative Details

Company Name	Moulton School and Science College
Company Registration Number	07807158
Principal Office	Pound Lane Northampton England NN3 7SD
Trustees	Mr S Barrick * (Chair) Mrs A Jeffrey * (Vice Chair) Mr T Jones * (Headteacher & Accounting Officer) Ms R Lucas * Mrs J Brake Mr R Chapman * (Resigned 31 August 2013) Mr J Eales * Mr J Hancock Mrs F Polnyj (Resigned 1 May 2013) Councillor J Shepherd (Resigned 31 October 2012) Mr S Uden (Resigned 31 October 2012) Mr R Hollis * Mrs L Proctor * Mr D Sherwood Mr N Smith Mrs C Coulson * (Staff trustee) Mr J Grant (Staff trustee) Mrs M Devine Mr M Kingett (Appointed 5 February 2013) Mr S Robinson (Appointed 18 January 2013) Mrs S Webb (Appointed 20 December 2012) Mr J Neilson (Appointed 11 January 2013) * Members of the Finance Committee

Moulton School and Science College Company Limited by Guarantee

Reference and Administrative Details *(continued)*

Senior Management Team

Mr T Jones	Headteacher
Mrs C May	Deputy Headteacher
Ms D Macintosh	Assistant Headteacher
Mr S Chandler	Assistant Headteacher
Mrs A Dabbs	Assistant Headteacher
Mr A Lancaster	Assistant Headteacher
Mr P Quinn	Head of Sixth Form
Mrs M Dane	Business Manager

Auditor

MHA MacIntyre Hudson
Chartered Accountants
& Statutory Auditor
Peterbridge House
The Lakes
Northampton
NN4 7HB

Bankers

Lloyds TSB
2 George Row
Northampton
NN1 1DJ

Solicitors

Stone King LLP
16 St John's Lane
London
EC1M 4BS

Moulton School and Science College Company Limited by Guarantee

Trustees Annual Report

Year ended 31 August 2013

The Governors, who are also directors for the purposes of company law, present their report and the financial statements of the charitable company for the year ended 31 August 2013

Reference and administrative details

Reference and administrative details are shown in the schedule of reference and administrative details on pages 1 to 2 of the financial statements

The Trustees

The Governors who served the academy during the period were as follows

Mr S Barrick * (Chair)
Mrs A Jeffrey * (Vice Chair)
Mr T Jones * (Headteacher & Accounting Officer)
Ms R Lucas *
Mrs J Brake
Mr R Chapman * (Resigned 31 August 2013)
Mr J Eales *
Mr J Hancock
Mrs F Polnyj (resigned 1 May 2013)
Councillor J Shepherd (resigned 31 October 2012)
Mr S Uden (resigned 31 October 2012)
Mr R Hollis *
Mrs L Proctor *
Mr D Sherwood
Mr N Smith
Mrs C Coulson * (staff trustee)
Mr J Grant (staff trustee)
Mrs M Devine
Mr M Kingett (appointed 5 February 2013)
Mr S Robinson (appointed 18 January 2013)
Mrs S Webb (appointed 20 December 2012)
Mr J Neilson (appointed 11 January 2013)

* Members of the Finance Committee

Moulton School and Science College Company Limited by Guarantee

Trustees Annual Report *(continued)*

Year ended 31 August 2013

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The company was incorporated on 12 October 2011. The charitable 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 Moulton School and Science College and those identified as such in the administrative schedule are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Moulton School and Science College.

Details of the Governors who served throughout the year except as noted 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 has purchased insurance to cover Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. Details of the costs can be found in note 11 to the accounts.

Moulton School and Science College Company Limited by Guarantee

Trustees Annual Report *(continued)*

Year ended 31 August 2013

Principal Activities

Moulton School and Science College converted to Academy status on 1 November 2011 at which point the entity's operations commenced. The Academy Trust's principal activities are to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

Method of Recruitment and Appointment or Election of Governors

The Members/Trustees of the Academy Trust comprise of the Chairman of the Governors, the Vice-Chairman of the Governors, the Chair of Quality Assurance, the Chair of Finance and the Headteacher. The members may agree in writing to appoint such additional Members as they see fit and may unanimously (save the Member(s) to be removed shall not be required) in writing agree to remove such additional Members. Any Member may resign provided that after such a resignation the number of members is not less than three.

The Members may appoint up to 11 Governors but the total number of Governors who are employees of the Academy (including the Headteacher) must not exceed one third of the total number of Governors. The Parent Governors shall be elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil of the Academy at the time of election.

The Staff Governors shall be elected by staff members at the Academy and must be a staff member at the time of election. If a Staff Governor ceases to be a staff member then they will have been deemed to have resigned and cease to be a Governor. Any election of Staff Governors which is contested shall be held by secret ballot.

The Secretary of State may appoint Additional Governors as he sees fit if the Governors are issued with a Warning Notice for failure to meet specified standards or criteria as laid down in the Academy Funding Agreement.

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

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 on charity and educational legal and financial matters. All new Governors will be given a tour of the Academy and the chance to meet with staff and students. All Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. As there are normally only two or three new Governors a year, induction tends to be done informally and is tailored specifically to the individual with external specialist training provided where necessary.

Organisational Structure

The management structure consists of three levels: the Governors, the Senior Managers and the Management Team which consists of Subject Leaders and Year Leaders. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels and provide clarity and accountability.

Moulton School and Science College Company Limited by Guarantee

Trustees Annual Report *(continued)*

Year ended 31 August 2013

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of budgets and other data, challenging Senior Managers and helping to drive improvement, and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments

The Senior Managers are the Headteacher, one Deputy Headteacher, Five Assistant Headteachers and the Business Manager. These managers control the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them. As a group the Senior Managers are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for posts in the Management Team always contain a Governor. Some spending control is devolved to members of the Management Team, with limits above which a Senior Manager must countersign.

The Management Team includes the Senior Management, the five Year Leaders and the sixteen Subject Leaders. These managers are responsible for the day to day operation of the Academy, in particular organising the teaching staff, facilities and students for their specified area.

Risk Management

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

Connected Organisations, including Related Party Relationships

The Academy is a member of the SWAN Schools Network (SWAN Educational Partnership - SWANEP) which exists to share best practice and drive efficiencies through group co-operation. There are currently nine member Schools. Each school contributes an annual amount to a central budget. This central budget is used to share best practice, run centrally arranged curriculum provision and drive financial efficiencies. Spending is controlled by the Headteachers of the schools and is reported to Governors.

Councillor Judy Shepherd, a Governor of the Academy Trust for part of the year, is a Councillor for Northamptonshire County Council.

No company owned or that has an association to any of the Governors traded with the Academy in this reporting period.

Moulton School and Science College Company Limited by Guarantee

Trustees Annual Report *(continued)*

Year ended 31 August 2013

Objectives and activities

Objects and Aims

The principal object and activity of the charitable company is the operation of the Moulton School and Science College Academy to provide education for pupils of different abilities between the ages of 11 and 19

Objectives, Strategies and Activities

The main objectives of the Academy during the year ended 31 August 2013 were focused on four key areas which are summarised below and detailed more fully in the School Improvement Plan for the year

- Teaching and Learning - Drive through the agreed strategies aimed at retaining the focus on continuous improvement of lesson quality. These strategies included an extensive CPD programme, introduction of the VLE, a revised homework policy and a focus on literacy
- Behaviour and Student Safety - Continue the focus on the ASPIRE ethos and link to student activities and expectations. Review relevant policies and aim for achievement of accreditations where deemed appropriate for the school, including Healthy Schools, International Schools and Anti Bullying and implement recognition reward strategies for students
- Leadership and Management - Introduce revised SLT roles and accountabilities, a revised QA and self evaluation framework and a new appraisal policy

In addition the following statements provide the operating principles of the Academy and the basis of all decision making

- To comply with all appropriate statutory and curriculum requirements,
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness
- To ensure that every child receives high quality education in terms of resourcing, tuition and care

The Academy's main strategy is encompassed in its mission statement which is 'ASPIRE - strive for Great Things'. To this end the principles are

- Achievement through learning,
- Service to the community,
- Pride and determination,
- Individual responsibility,
- Respect, courtesy and consideration,
- Excellence and high expectations

Public Benefit

The Academy Trust provides education for the benefit of the local community of Northampton and offers cost efficient recreational facilities to a variety of local community groups outside of school hours for the benefit of the general public. Community based projects are also undertaken throughout the year by staff and students which further enhances the public benefit, for example, charity fund raising

Moulton School and Science College Company Limited by Guarantee

Trustees Annual Report *(continued)*

Year ended 31 August 2013

Achievements and performance

The Academy is in its second year of operation and continues to achieve the forecast numbers of students and remains an oversubscribed school, clearly demonstrating the high regard parents hold for Moulton School when choosing secondary education for their child. Total students in the year ended 31 August 2013 number 1,350 and the Academy has a full complement in all year groups. The Academy has obtained agreement from the Department for Education (DfE) to admit 240 students each year from September 2013 which represents an increase of 16 students in each year group.

Examination results for 2013 were very pleasing. 104 students sat A2 exams, with a pass rate of 99%, 74% of entries being graded at A* - C and 24% of entries being graded at A* / A. The great majority of students met the requirements for their first choice university place.

211 students sat GCSE exams, 82% of students attained 5 or more A* - C grades, with 63% attaining A* - C grades including English and Maths. There was a record capped average points score of 357. There were also many outstanding individual results, with 73% of the cohort attaining an A* / A grade, 41% of the cohort attaining 3 or more A* / A grades and a record 28% of the cohort attaining 5 or more A* / A grades.

NEET figures for the school continue to be very low. Attendance is slightly above the national average and exclusions are significantly below the national average. Stakeholder surveys indicate a high level of satisfaction, with over 90% of parents stating that they would recommend the school to another parent.

Most pleasingly, the school was inspected by Ofsted in July 2013 and graded as good overall and in all key areas.

Moulton School and Science College Company Limited by Guarantee

Trustees Annual Report *(continued)*

Year ended 31 August 2013

Going Concern

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

Key Financial Performance Indicators

The Academy Trust uses a number of financial key performance indicators to monitor financial success of the Academy Trust and progress/improvement against the targets set.

Staffing costs are monitored as a percentage of total non capital income. For the year ended 31 August 2013 staffing costs amounted to 78% (2012 – 75%) of total non capital income.

The Academy Trust also monitors its operating surplus (excluding transfers on conversion, restricted fixed assets/depreciation and actuarial losses) or deficit as a percentage of total non capital income. For the year ended 31 August 2013 the operating surplus equated to 3% (2012 – 9%) of total non capital income.

The Academy Trust also uses a number of non-financial key performance indicators to monitor its performance. These include:

- GCSE and A level performance data
- Student attendance rates
- Student exclusion rates
- Stakeholder surveys

Moulton School and Science College Company Limited by Guarantee

Trustees Annual Report *(continued)*

Year ended 31 August 2013

Financial review

Most of the Academy's income is obtained from the DfE in the form of recurrent grants disbursed via the Education Funding Agency (EFA), the use of which is restricted to particular purposes. In addition a small amount of funding was received from the Local Authority in respect of students with statements. The grants received from the DfE during the year ended 31 August 2013 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the year ended 31 August 2013, total expenditure of £7,202,706 (2012 - £5,735,356) was more than covered by recurrent grant funding from the DfE together with other incoming resources. The excess of income over expenditure for the year (excluding restricted fixed asset funds/depreciation and transfers and other amounts on conversion and actuarial losses) was £237,094 (2012 - £542,210).

At 31 August 2013 the net book value of fixed assets was £16,287,470 (2012 - £15,743,268) and movements in tangible fixed assets 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.

The Academy has continued with its programme of improvements both to buildings to improve the environment and materially through a rolling programme of investment in technology which has significantly improved the offering in many areas, building on the investment made in the last financial reporting period.

Financial and Risk Management Objectives and Policies

The Academy's risk management procedures are outlined above. The Trustees believe that its risk management procedures mitigate as far as reasonably possible the principal risks and uncertainties facing the Academy Trust.

The Academy Trust does not have significant trade debtors as invoiced income is a minor ancillary activity. Lettings income is usually paid in advance mitigating any credit risk.

Cash flow is monitored daily by the Academy Trust and budgets presented to the Governing body consider cash flow and liquidity in detail. The Academy has built up cash reserves which enable it to plan for future capital projects and provide a contingency for future funding or unforeseen events.

Principal Risks and Uncertainties

Through the Academy's risk management procedures, it has considered its principal risks and uncertainties and planned mitigating action wherever possible. The principal risks and uncertainties identified by the Governing Body are:

- Change in government funding regime - the Academy receives its income from Government agencies
- Reduction in student numbers either through competition or a damaged reputation/falling standards

Key controls that the Academy has in place to mitigate these risks include:

- Attendance at government funding agency conferences and participation in focus groups to keep up to date with and influence as far as possible Academy funding methodology

Moulton School and Science College Company Limited by Guarantee

Trustees Annual Report *(continued)*

Year ended 31 August 2013

- Continued organisational structure reviews
- Internal quality assurance reviews and self-assessments

Reserves Policy

The Governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Academy's current level of free reserves (total funds less amounts held in fixed assets and restricted funds) is £41,294 (2012 - £32,223). The Academy intends to continue building up free reserves as required.

Included within restricted funds at 31 August 2013 is the Local Government Pension Scheme deficit of £402,000 which is a £60,000 reduction on last year's figure. The pension deficit is viewed as long term debt and contributions are adjusted as necessary to mitigate the risk and reduce the deficit.

Financial position

The Academy held fund balances at 31 August 2013 of £16,608,104 (2012 - £16,744,442) comprising £16,968,810 (2012 - £17,174,219) of restricted funds and £41,294 (2012 - £32,223) of unrestricted general funds and a pension reserve deficit of £402,000 (2012 - £462,000).

Investment Policy

The Trust's investment policy is to invest surplus cash reserves with High Street banks with a high credit rating where the capital invested is guaranteed. Investment returns are market tested periodically to ensure that returns are maximised whilst safeguarding the funds invested.

Plans for future periods

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 will also increase its recruitment up to the new agreed levels, accepting transfers from other schools and colleges where possible.

Funds Held as Custodian trustee on Behalf of Others

The Academy Trust holds no funds on behalf of any other operating body.

Independent 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

Moulton School and Science College Company Limited by Guarantee

Trustees Annual Report *(continued)*

Year ended 31 August 2013

- 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

MHA MacIntyre Hudson are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Approved by order of the members of the board of trustees on 28 11 13 and signed on their behalf by

Registered office
Pound Lane
Moulton
Northampton
England
NN3 7SD

Signed on behalf of the Governors



Mr S Barrick
Chair of Trustees

Moulton School and Science College Company Limited by Guarantee

Governance Statement

Year ended 31 August 2013

Scope of Responsibility

As Governors, we acknowledge we have overall responsibility for ensuring that Moulton School and Science College 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 Moulton School and Science College 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 six times during the reporting period.

Attendance during the year at meetings of the Governing Body was as follows:

Governor	Meetings attended	Out of a possible
S Barrick (Chair)	6	6
A Jeffery (Vice Chair)	5	6
R Lucas	5	6
J Brake (Parent)	2	6
T Jones (Accounting Officer)	6	6
R Chapman	3	6
J Eales	5	6
J Hancock	5	6
F Polny	1	4
J Shepherd	0	1
S Uden	1	1

Moulton School and Science College Company Limited by Guarantee

Governance Statement *(continued)*

Year ended 31 August 2013

M Devine (Parent)	5	6
R Hollis (Parent)	3	6
L Proctor (Parent)	4	6
D Sherwood (Parent)	5	6
N Smith (Parent)	6	6
C Coulson (Staff)	5	6
S Grant (Staff)	6	6
M Kingett	2	4
S Robinson	5	5
S Webb	4	5
J Neilson	4	5

The changes to the composition of the Governing Body during the year are detailed on Page 3

The Finance Committee is a sub-committee of the main Governing Body. Its purpose is to monitor financial performance of the Academy, review expenditure and approve financial strategies. In addition the committee will review policies of the Academy. Attendance at meetings in the year was as follows

Governor	Meetings attended	Out of a possible
S Barrick (Chair)	3	3
R Lucas	3	3
T Jones (Accounting Officer)	3	3
A Jeffery	3	3
R Chapman	0	3
J Eales	2	3
R Hollis	0	3
L Proctor	1	3
C Coulson	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 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 Moulton School and Science College for the year to 31 August 2013 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Governing Body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal on-going 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 financial statements. This process is regularly reviewed by the Governing Body.

Moulton School and Science College Company Limited by Guarantee

Governance Statement *(continued)*

Year ended 31 August 2013

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 General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes,
- setting targets to measure financial and other performance,
- clearly defined purchasing (asset purchase or capital investment) guidelines,
- delegation of authority and segregation of duties,
- identification and management of risks

The 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 MHA MacIntyre Hudson to support the Responsible Officer ('RO') role by undertaking testing on a termly basis. 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 termly basis, the RO reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

There have been no material control issues arising as a result of the RO reviews for the period 1 September 2012 to 31 August 2013.

Review of Effectiveness

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

Moulton School and Science College Company Limited by Guarantee

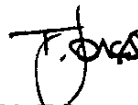
Governance Statement *(continued)*

Year ended 31 August 2013

Approved by order of the members of the Governing Body on 28 Nov 2013 and signed on its behalf
by



Mr S Barrick
Chair of Trustees



Mr T Jones
Headteacher and Accounting Officer

Moulton School and Science College Company Limited by Guarantee

Statement on Regularity, Propriety and Compliance

Year ended 31 August 2013

As Accounting Officer of Moulton School and Science College I have considered my responsibility to notify the Academy Trust's Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the Academy Trust'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.



Mr T Jones
Accounting officer



2013

Moulton School and Science College Company Limited by Guarantee

Statement of Trustees' Responsibilities

Year ended 31 August 2013

The Trustees (who act as governors for Moulton School and Science College and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations

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

select suitable accounting policies and then apply them consistently,

observe the methods and principles in the Charities SORP,

make judgements and accounting estimates that are reasonable and prudent,

state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

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

The 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 financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 28 Nov 2013 and signed on their behalf by

Signed



Mr S Barrick
Chair of Trustees

Moulton School and Science College Company Limited by Guarantee

Independent Auditor's Report to the Members of Moulton School and Science College

Year ended 31 August 2013

We have audited the financial statements of Moulton School and Science College for the year ended 31 August 2013 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement, Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2013 issued by the Education Funding Agency.

This report is made solely to the academy trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy trust's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy trust and the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of governors and auditor

As explained more fully in the Responsibilities of the Trustees (set out on page 18), the Governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2013 and of its incoming resources and application of resources for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Annual Accounts Direction 2013 issued by the Education Funding Agency.

Moulton School and Science College Company Limited by Guarantee

Independent Auditor's Report to the Members of Moulton School and Science College *(continued)*

Year ended 31 August 2013

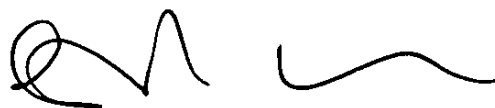
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees Annual Report for the financial year for the which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

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

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



Senior Statutory Auditor
ELAINE OLSON-WILLIAMS FCCA
(Senior Statutory Auditor)
For and on behalf of
MHA MACINTYRE HUDSON
Chartered Accountants
& Statutory Auditor

Peterbridge House
The Lakes
Northampton
NN4 7HB

18 July 2013

Moulton School and Science College Company Limited by Guarantee

Independent Reporting Accountant's Assurance Report on Regularity to Moulton School and Science College and the Education Funding Agency

Year ended 31 August 2013

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

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

Respective responsibilities of Moulton School and Science College's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Moulton School and Science College's funding agreement with the Secretary of State for Education dated 28 October 2011 and the Academies Financial Handbook, extant from 1 September 2012, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them

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

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

- Reviewing the Minutes of meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity

Moulton School and Science College Company Limited by Guarantee

Independent Reporting Accountant's Assurance Report on Regularity to Moulton School and Science College and the Education Funding Agency *(continued)*

Year ended 31 August 2013

- A review of the objectives and activities of the academy, with reference to the income streams and other information available to us as auditors of the academy
- Testing a sample of payroll payments to staff
- Testing of a sample of payments to suppliers and other third parties
- Testing of a sample of grants received and other income streams
- Evaluating the internal control procedures and reporting lines, and testing as appropriate
- Making appropriate enquiries of the Accounting Officer

Conclusion

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



MHA MACINTYRE HUDSON
Chartered Accountants
Peterbridge House
The Lakes
Northampton
NN4 7HB

15 Dec 2013

Moulton School and Science College Company Limited by Guarantee

Statement of Financial Activities (Incorporating the Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

Year ended 31 August 2013

	Note	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total Funds Year to 31 Aug 13 £	Total Funds Period from 12 Oct 11 to 31 Aug 12 £
Incoming resources						
Incoming resources from generating funds						
Voluntary income	1	65,690	–	–	65,690	835,159
Voluntary income - transfer from Local Authority on conversion	1	–	–	–	–	16,399,008
Activities for generating funds	2	169,684	154,908	–	324,592	267,967
Investment income	3	1,688	–	–	1,688	793
Income from charitable trading activities						
Funding for academy's educational operations	4	–	6,513,516	81,882	6,595,398	5,526,603
Total incoming resources		237,062	6,668,424	81,882	6,987,368	23,029,530
Resources expended						
Costs of generating funds						
Costs of generating voluntary income		16,793	8,800	–	25,593	62,682
Other resources expended - transfer from Local Authority on conversion		–	–	–	–	466,732
Fundraising trading cost of goods sold and other costs		211,198	31,606	–	242,804	132,471
Charitable activities						
Charitable expenditure	6	–	6,380,245	534,314	6,914,559	5,513,033
Governance costs	7	–	19,750	–	19,750	27,170
Total resources expended		227,991	6,440,401	534,314	7,202,706	6,202,088
Net (outgoing)/incoming resources before transfers	8	9,071	228,023	(452,432)	(215,338)	16,827,442
Gross transfers between funds		–	(233,098)	233,098	–	–
Net (expenditure)/income for the year		9,071	(5,075)	(219,334)	(215,338)	16,827,442
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension schemes		–	79,000	–	79,000	(83,000)
Net movement in funds		9,071	73,925	(219,334)	(136,338)	16,744,442
Carried forward		9,071	73,925	(219,334)	(136,338)	16,744,442

The accounting policies and notes on pages 28 to 46 form part of these financial statements.

Moulton School and Science College Company Limited by Guarantee

Statement of Financial Activities (Incorporating the Income and Expenditure Account and Statement of Total Recognised Gains and Losses) *(continued)*

Year ended 31 August 2013

	Note	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total Funds Year to 31 Aug 13 £	Total Funds Period from 12 Oct 11 to 31 Aug 12 £
Brought forward		9,071	73,925	(219,334)	(136,338)	16,744,442
Reconciliation of funds						
Total funds brought forward at 1 September 2012	17	32,223	205,451	16,506,768	16,744,442	–
Total funds carried forward at 31 August 2013		41,294	279,376	16,287,434	16,608,104	16,744,442

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

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities

The accounting policies and notes on pages 28 to 46 form part of these financial statements.

Moulton School and Science College Company Limited by Guarantee

Company Registration Number 07807158

Balance Sheet

31 August 2013

	Note	2013 £	2012 £
Fixed assets			
Tangible assets	12	16,287,470	15,743,268
Current assets			
Stocks		21,572	4,360
Debtors	13	112,645	657,062
Cash at bank and in hand		1,101,226	1,029,935
		<u>1,235,443</u>	<u>1,691,357</u>
Creditors: amounts falling due within one year	14	<u>(498,801)</u>	<u>(192,117)</u>
Net current assets		736,642	1,499,240
Total assets less current liabilities		<u>17,024,112</u>	<u>17,242,508</u>
Creditors: amounts falling due after more than one year	15	(14,008)	(36,066)
Net assets excluding pension liability		<u>17,010,104</u>	<u>17,206,442</u>
Defined benefit pension scheme liability	16	(402,000)	(462,000)
Net assets including pension liability		<u>£16,608,104</u>	<u>£16,744,442</u>
Funds of the academy trust.	17		
Restricted income funds:			
Fixed asset fund		16,287,434	16,506,768
General funds		681,376	667,451
Pension reserve	16	<u>(402,000)</u>	<u>(462,000)</u>
Total restricted income funds		16,566,810	16,712,219
Unrestricted income funds			
General fund		41,294	32,223
Total funds		<u>£16,608,104</u>	<u>£16,744,442</u>

The Balance sheet continues on the following page
The accounting policies and notes on pages 28 to 46 form part of these financial statements.

Moulton School and Science College Company Limited by Guarantee

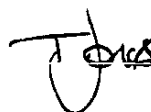
Balance Sheet *(continued)*

31 August 2013

These financial statements were approved by the Governors, and authorised for issue on **28 Nov** 2013
and are signed on their behalf by



Mr S Barrick
Chair of Trustees



Mr T Jones
Head Teacher and Accounting Officer

The accounting policies and notes on pages 28 to 46 form part of these financial statements.

Moulton School and Science College Company Limited by Guarantee

Cash Flow Statement

Year ended 31 August 2013

	Note	Year to 31 Aug 13 £	£	Period from 12 Oct 11 to 31 Aug 12 £
Net cash inflow from operating activities	22		1,170,142	760,552
Cash transferred on conversion to Academy				414,315
Returns on investments and servicing of finance	23			
Interest received		<u>1,688</u>		<u>793</u>
Net cash inflow from returns on investments and servicing of finance			1,688	793
Capital expenditure	24		(1,078,481)	(145,725)
Cash inflow before financing			<u>93,349</u>	<u>1,029,935</u>
Financing				
Net outflow from loans		<u>(22,058)</u>		<u>—</u>
Net cash outflow from financing			(22,058)	—
Increase in cash in the year			<u>£71,291</u>	<u>£1,029,935</u>
Reconciliation of net cash flow to movement in net funds				
			2013	2012
			£	£
Net funds at 1 September 2012			1,029,935	—
Net funds at 31 August 2013			<u>1,101,226</u>	<u>1,029,935</u>

The accounting policies and notes on pages 28 to 46 form part of these financial statements.

Moulton School and Science College Company Limited by Guarantee

Accounting Policies

Year ended 31 August 2013

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards, the Charity Commission Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (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.

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.

Donations

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

Other income

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

Donated Services and Gifts in Kind

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

Moulton School and Science College Company Limited by Guarantee

Accounting Policies *(continued)*

Year ended 31 August 2013

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.

All resources expended are inclusive of irrecoverable VAT.

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.

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 relevant funder 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 funders.

Moulton School and Science College Company Limited by Guarantee

Accounting Policies *(continued)*

Year ended 31 August 2013

Fixed assets

Assets costing £500 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.

Assets transferred at inception have been included at the depreciated replacement cost for freehold property and fair value for other assets.

Depreciation on fixed 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.

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

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

Impairment losses are recognised in the Statement of Financial Activities.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold buildings	- 2 15% to 5% straight line
Computer Equipment	- 33% straight line
Furniture and Equipment	- 20% straight line

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Operating lease agreements

Rentals under operating leases are charged on a straight line basis over the lease term.

Moulton School and Science College Company Limited by Guarantee

Accounting Policies *(continued)*

Year ended 31 August 2013

Pension costs

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 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 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.

Going concern

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

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.

Moulton School and Science College Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 August 2013

1 Voluntary income

	Unrestricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Voluntary income - transfer from Local Authority on conversion	—	—	16,399,008
Parental contributions	619	619	458
Other donations	7,223	7,223	12,849
Capital grants	—	—	763,500
Miscellaneous	16,174	16,174	20,441
Engineering funding	—	—	13,031
Department income	41,674	41,674	24,880
	<u>65,690</u>	<u>65,690</u>	<u>17,234,167</u>

2. Incoming resources from activities for generating funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Hire of facilities	114,187	—	114,187	115,090
School fund	—	118,752	118,752	87,192
Sports complex - catering	33,084	—	33,084	31,814
Other income	22,413	36,156	58,569	33,871
	<u>169,684</u>	<u>154,908</u>	<u>324,592</u>	<u>267,967</u>

3. Investment income

	Unrestricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Bank interest receivable	<u>1,688</u>	<u>1,688</u>	<u>793</u>

Moulton School and Science College Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 August 2013

4. Funding for academy's educational operations

	Restricted Funds £	Restricted Fixed Asset Funds £	Total Funds 2013 £	Total Funds 2012 £
DfE/EFA grants				
General Annual Grant (GAG)	6,198,430	–	6,198,430	5,104,451
Other EFA grants	11,900	26,882	38,782	62,287
Pupil Premium	142,754	–	142,754	14,098
DSF	–	–	–	5,679
16 - 19 bursary	11,007	–	11,007	39,219
	<u>6,364,091</u>	<u>26,882</u>	<u>6,390,973</u>	<u>5,225,734</u>
Other Government grants				
Local Authority	149,425	–	149,425	300,869
	<u>149,425</u>	<u>–</u>	<u>149,425</u>	<u>300,869</u>
Other income				
Other income	–	55,000	55,000	–
	<u>–</u>	<u>55,000</u>	<u>55,000</u>	<u>–</u>
	<u>6,513,516</u>	<u>81,882</u>	<u>6,595,398</u>	<u>5,526,603</u>

Moulton School and Science College Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 August 2013

5 Resources expended

	Staff costs £	Premises £	Other costs £	Total Funds 2013 £	Total Funds 2012 £
Costs of generating voluntary income:					
Other resources expended - transfer from Local Authority on conversion	—	—	—	—	466,732
Costs of generating funds	—	—	25,593	25,593	62,682
	—	—	25,593	25,593	529,414
Costs of activities for generating funds					
Hire of facilities etc	116,320	—	42,999	159,319	124,320
Other costs	18,618	—	64,867	83,485	8,151
	134,938	—	107,866	242,804	132,471
Academy's educational operations:					
Direct costs	4,480,506	—	415,594	4,896,100	4,430,322
Support Costs	702,477	886,335	429,647	2,018,459	1,082,711
	5,182,983	886,335	845,241	6,914,559	5,513,033
Governance costs including allocated support costs	—	—	19,750	19,750	27,170
	5,317,921	886,335	998,450	7,202,706	6,202,088

Moulton School and Science College Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 August 2013

6. Academy's educational operations

	Restricted Funds £	Restricted Fixed Asset Funds £	Total Funds 2013 £	Total Funds 2012 £
<i>Direct costs</i>				
Teaching & educational support staff	4,480,506	—	4,480,506	4,147,523
Educational supplies	184,872	—	184,872	80,319
Examination fees	101,056	—	101,056	110,309
Other direct costs	129,666	—	129,666	90,537
Educational visits	—	—	—	1,634
	<u>4,896,100</u>	<u>—</u>	<u>4,896,100</u>	<u>4,430,322</u>
<i>Allocated support costs</i>				
Support staff costs	680,267	—	680,267	125,104
Staff Training & Development	22,210	—	22,210	16,784
Depreciation	—	534,314	534,314	410,544
Maintenance of premises & equipment	225,764	—	225,764	125,970
Gas and Electricity	110,139	—	110,139	64,350
Cleaning	30,327	—	30,327	26,581
Rent & rates	33,611	—	33,611	32,261
Insurance	63,870	—	63,870	45,295
Security & transport	9,583	—	9,583	6,320
Catering	3,026	—	3,026	6,869
Legal & professional services	222,822	—	222,822	183,417
Other support costs	82,526	—	82,526	39,216
	<u>1,484,145</u>	<u>534,314</u>	<u>2,018,459</u>	<u>1,082,711</u>
	<u>6,380,245</u>	<u>534,314</u>	<u>6,914,559</u>	<u>5,513,033</u>

7. Governance costs

	Restricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Audit and accountancy fees	19,750	19,750	11,335
Legal and professional fees (governance)	—	—	15,835
	<u>19,750</u>	<u>19,750</u>	<u>27,170</u>

Moulton School and Science College Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 August 2013

8. Net incoming/(outgoing) resources for the year

This is stated after charging

	2013 £	2012 £
Staff pension contributions	624,494	520,680
Operating leases	300	—
Fees payable to auditor		
Audit	9,985	8,450
Other	9,765	2,885
Depreciation	534,314	410,544

9 Staff costs and emoluments

	2013 £	2012 £
Wages and salaries	4,289,012	3,594,606
Social security costs	311,550	260,740
Other pension costs	624,494	520,680
Supply teacher costs	70,655	23,064
	<u>£5,295,711</u>	<u>£4,399,090</u>

Other pension costs above represents the total operating charge included in resources expended in the statement of financial activities and includes amounts included in other finance income/costs (Note 16)

Particulars of employees:

	2013	2012
The average number of employees during the year,		
Teachers	73	74
Administration and support	53	51
Management	8	9
	<u>134</u>	<u>134</u>

The number of employees whose remuneration for the year fell within the following bands, were

	2013	2012
£60,000 to £69,999	1	2
£70,000 to £79,999	-	1
£80,000 to £89,999	1	-
	<u>2</u>	<u>3</u>

The above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2013, pension contributions for these staff amounted to £19,956 (2012 - £29,329)

Moulton School and Science College Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 August 2013

10. Governors' remuneration and expenses

The Principal and Staff Governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as Governors. Other Governors did not receive any payments from the Academy in respect of their role as Governors. The values of staff Governors' remuneration for the year ended 31 August 2013 and ten months ended 31 August 2012, were as follows,

	2013	2012 – 10 months
T Jones (Principal and Governor)	£80,000-£85,000	(£80,000-£85,000)
Governor 1	£40,000-£45,000	(£40,000-£45,000)
Governor 2	£25,000-£30,000	(£25,000-£30,000)

During the year ended 31 August 2013, no travel and subsistence expenses were reimbursed to Governors.

No expenses were paid to Governors for the year to 31 August 2013.

Other related party transactions involving the trustees are set out in note 19.

11. Governors' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2013 was £1,481 (2012 - £1,451).

12. Tangible fixed assets

	Freehold property £	Furniture & equip £	Computer equipment £	Total £
Cost				
At 1 September 2012	15,976,285	29,909	147,618	16,153,812
Additions	990,960	19,142	68,379	1,078,481
At 31 August 2013	£16,967,245	£49,051	£215,997	£17,232,293
Depreciation				
At 1 September 2012	381,367	3,690	25,487	410,544
Charge for the year	473,527	7,498	53,254	534,279
At 31 August 2013	£854,894	£11,188	£78,741	£944,823
Net book value				
At 31 August 2013	16,112,351	37,863	137,256	16,287,470
At 31 August 2012	15,594,918	26,219	122,131	15,743,268

Moulton School and Science College Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 August 2013

13. Debtors

	2013 £	2012 £
Other debtors	–	610,800
Prepayments and accrued income	112,645	46,262
	<u>£112,645</u>	<u>£657,062</u>

14. Creditors: Amounts falling due within one year

	2013 £	2012 £
Loans	22,058	22,058
Taxation and social security	96,993	98,393
Accruals and deferred income	379,750	71,666
	<u>£498,801</u>	<u>£192,117</u>

Deferred income

	2012 £
Deferred income at 1 September 2012	(50,883)
Resources deferred in the year	(42,096)
Amounts released from previous period	50,883
Deferred income at 31 August 2013	<u>(42,096)</u>

Deferred income relates to funding received in advance and trip contributions from parents

15 Creditors: Amounts falling due after more than one year

	2013 £	2012 £
Loans	<u>14,008</u>	<u>36,066</u>

Moulton School and Science College Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 August 2013

16. Pensions and similar obligations

The academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Northamptonshire County 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 March 2004 and of the LGPS 31 March 2010.

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

The Teachers' Pension Scheme

Introduction

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

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a "pay as you go" basis – these contributions along with those made by employers are credited to the Exchequer under arrangements governed by the above Act. The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

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

Moulton School and Science College Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 August 2013

16. Pensions and similar obligations *(continued)*

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

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

Teachers' Pension Scheme Changes

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

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

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

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

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

Moulton School and Science College Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 August 2013

16. Pensions and similar obligations (continued)

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 2013 was £228,000, of which employer's contributions totalled £179,000 and employees' contributions totalled £49,000. The agreed contribution rates for future years are 22.7 per cent for employers and between 5.5 per cent and 12.5 per cent for employees.

Principal actuarial assumptions

	At 31 Aug 2013	At 31 Aug 2012
	%	%
Discount rate	4.6	4.1
Expected return on scheme assets	5.9	4.8
Rate of increase in salaries	5.1	4.5
Rate of increase in pensions payment	2.8	2.2

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

	At 31 August 2013	At 31 August 2012
Retiring today		
Males	21.4	21.4
Females	23.3	23.3
Retiring in 20 years		
Males	23.4	23.4
Females	25.5	25.5

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

	Expected return at 31 Aug 2013	Fair value at 31 Aug 2013	Expected return at 31 Aug 2012	Fair value at 31 Aug 2012
	%	£	%	£
Equities	6.7	1,104,000	5.5	761,000
Bonds	3.5	272,000	3.0	254,000
Property	4.7	76,000	3.7	66,000
Cash	3.6	61,000	2.8	22,000
Total market value of assets		1,513,000		1,103,000
Present value of scheme liabilities - funded		(1,915,000)		(1,565,000)
Deficit in the scheme		<u>(402,000)</u>		<u>(462,000)</u>

The expected rate of return is based on the long-term future expected investment return for each asset class at the beginning of the period.

Moulton School and Science College Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 August 2013

16. Pensions and similar obligations *(continued)*

Amounts recognised in the Statement of Financial Activities

	2013 £	2012 £
Current service cost (net of employee contributions)	187,000	119,000
Total operating charge	187,000	119,000

Analysis of pension finance income/(costs)

	2013 £	2012 £
Expected return on pension scheme assets	58,000	43,000
Interest on pension liabilities	(69,000)	(51,000)
Pension finance costs	(11,000)	(8,000)

The actuarial gains and losses for the current year are recognised in the Statement of Financial Activities. The cumulative amount of actuarial gains and losses recognised in the Statement of Financial Activities since the adoption of FRS 17 is £4,000 loss (2012 - £83,000 loss).

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.

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

	2013 £	2012 £
At 1 September 2012	1,565,000	1,226,000
Current service cost	187,000	119,000
Interest on pension liabilities	69,000	51,000
Employee contributions	49,000	40,000
Actuarial loss	45,000	129,000
At 31 August 2013	1,915,000	1,565,000

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

	2013 £	2012 £
At 1 September 2012	1,103,000	828,000
Expected return on pension scheme assets	58,000	43,000
Actuarial gain	124,000	46,000
Employer contributions	179,000	146,000
Employee contributions	49,000	40,000
At 31 August 2013	1,513,000	1,103,000

Moulton School and Science College Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 August 2013

16 Pensions and similar obligations *(continued)* Reconciliation of opening and closing deficit:

	2013 £	2012 £
Pension scheme liability transferred	(462,000)	(398,000)
Current service cost (net of employee contributions)	(187,000)	(119,000)
Employer contributions	179,000	146,000
Other finance costs	(11,000)	(8,000)
Actuarial gain/(loss)	79,000	(83,000)
Deficit at 31 August 2013	(402,000)	(462,000)

The five year history of experience adjustments is as follows:

	2013 £	2012 £
Present value of defined benefit obligations	(1,915,000)	(1,565,000)
Fair value of share of scheme assets	1,513,000	1,103,000
Deficit in the scheme	(402,000)	(462,000)
Experience adjustments on share of scheme assets		
Amount (£)	124,000	46,000
Experience adjustments on scheme liabilities		
Amount (£'000)	45,000	129,000

The estimated value of employer contributions for the year ended 31 August 2014 is £226,000

Moulton School and Science College Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 August 2013

17 Funds

	Balance at 1 Sep 2012 £	Incoming resources £	Resources expended £	Gains and losses £	Transfer £	Balance at 31 Aug 2013
Restricted general funds						
General annual grant (GAG)	159,274	6,198,430	(5,855,451)	–	(233,098)	269,155
Other DfE/EFA grants	163,482	315,086	(373,821)	–	–	104,747
Defined benefit pension scheme	(462,000)	–	(19,000)	79,000	–	(402,000)
Miscellaneous restricted	25,851	36,156	(40,405)	–	–	21,602
School Funds	48,564	118,752	(129,666)	–	–	37,650
Transfer from the Local Authority	270,280	–	(22,058)	–	–	248,222
	<u>205,451</u>	<u>6,668,424</u>	<u>(6,440,401)</u>	<u>79,000</u>	<u>(233,098)</u>	<u>279,376</u>
Restricted fixed asset funds						
DfE/EFA capital grant	763,500	81,882	–	–	–	845,382
Capital expenditure from GAG	145,725	–	(68,299)	–	233,098	310,524
Capital income transferred from Local Authority	15,597,543	–	(466,015)	–	–	15,131,528
	<u>16,506,768</u>	<u>81,882</u>	<u>(534,314)</u>	<u>–</u>	<u>233,098</u>	<u>16,287,434</u>
Total restricted funds	<u>16,712,219</u>	<u>6,750,306</u>	<u>(6,974,715)</u>	<u>79,000</u>	<u>–</u>	<u>16,566,810</u>
Unrestricted funds						
General unrestricted funds	32,223	237,062	(227,991)	–	–	41,294
Total unrestricted funds	<u>32,223</u>	<u>237,062</u>	<u>(227,991)</u>	<u>–</u>	<u>–</u>	<u>41,294</u>
Total funds	<u>16,744,442</u>	<u>6,987,368</u>	<u>(7,202,706)</u>	<u>79,000</u>	<u>–</u>	<u>16,608,104</u>

The transfer between the restricted General Annual Grant fund and restricted fixed asset funds represents amounts capitalised during the period

Restricted general funds will be used for educational purposes in line with the Academy's objects and its funding agreement with the EFA

Restricted fixed asset funds amounting to £16,287,434 will be reserved against future depreciation charges, and the remainder relates to unspent capital grants which will be used to enhance the Academy's facilities

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

Moulton School and Science College Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 August 2013

18. Analysis of net assets between funds

Fund balances at 31 August 2013 are represented by

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset fund £	Total £
Tangible fixed assets	–	36	16,287,434	16,287,470
Current assets	41,294	1,194,149	–	1,235,443
Current liabilities	–	(498,801)	–	(498,801)
Long term liabilities	–	(14,008)	–	(14,008)
Pension scheme liability	–	(402,000)	–	(402,000)
	<u>41,294</u>	<u>279,376</u>	<u>16,287,434</u>	<u>16,608,104</u>

19 Related party transactions

Owing to the nature of the academy trusts operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a trustee has an interest. All transactions involving such organisations are conducted at arms length and in accordance with the academy trusts financial regulations and normal procurement procedures.

SWAN Partnership - a company in which T. Jones, Headteacher and Trustee, is a director. Transactions totalling £9,369 relating to the purchase of educational resources took place in the year. There were no amounts outstanding at 31 August 2013.

20. Ultimate controlling party

There is no ultimate controlling party.

21. Company limited by guarantee

The Academy Trust is a company limited by guarantee and does not have share capital.

Moulton School and Science College Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 August 2013

22. Reconciliation of net (Outgoing)/incoming resources before transfers to net cash inflow from operating activities

	2013	2012
	£	£
Net incoming resources before transfers	(215,338)	16,827,442
Fixed asset transfer on conversion	-	(16,008,087)
Pension deficit transferred from Local Academy	-	398,000
Cash transferred on conversion to an Academy	-	(414,315)
Depreciation	534,279	410,544
Interest receivable	(1,688)	(793)
FRS 17 Pension cost less contributions payable	8,000	(27,000)
FRS 17 pension finance income	11,000	8,000
Decrease/(increase) in stocks	(17,212)	(4,360)
Decrease/(increase) in debtors	544,417	(657,062)
(Decrease)/increase in creditors	306,684	228,183
Net cash inflow from operating activities	1,170,142	760,552

23. Returns on investments and servicing of finance

	2013	2012
	£	£
Interest received	1,688	793

24. Capital expenditure and financial investment

	2013	2012
	£	£
Purchase of tangible fixed assets	(1,078,481)	(145,725)
Net cash outflow from capital expenditure and financial investment	(1,078,481)	(145,725)

25. Analysis of changes in net funds

	1 Sep 12	Cash flows	31 Aug 13
	£	£	£
Cash in hand and at bank	1,029,935	71,291	1,101,226
Debt due within 1 year	(22,058)	-	(22,058)
Debt due after 1 year	(36,066)	22,058	(14,008)

26. 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