

REGISTERED COMPANY NUMBER 07827237 (England and Wales)

**Annual Report and
Audited Financial Statements For The Period
28 October 2011 to 31 August 2012
for
Holmer Green Senior School
(A Company Limited by Guarantee)**

Fish Partnership LLP
The Mill House
Boundary Road
Loudwater
High Wycombe
Bucks
HP10 9QN

THURSDAY



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20/12/2012
COMPANIES HOUSE

Holmer Green Senior School
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for the Period 28 October 2011 to 31 August 2012

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Holmer Green Senior School
Governors' Report
for the Period 28 October 2011 to 31 August 2012

The governors, who act as trustees and are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the period 28 October 2011 to 31 August 2012. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07827237 (England and Wales)

Registered office

Parish Piece
Holmer Green
High Wycombe
Bucks
HP15 6SP

Governors(Trustees)

Q Ahmed	- appointed 1 4 12
Dr W Bridle	- appointed 1 4 12
	- resigned 11 7 12
H Cove	- appointed 28 10 11
S Free	- appointed 1 4 12
	- resigned 1 4 12
A Green	- appointed 1 4 12
D Greenwood	- appointed 1 4 12
Ms J Hollings	- appointed 1 4 12
M Jones	- appointed 28 10 11
Ms A Knight	- appointed 1 4 12
N Marshment	- appointed 1 4 12
Ms S Matheson	- appointed 1 4 12
	- resigned 1 4 12
D McArdle	- appointed 1 4 12
Ms J Moses	- appointed 1 4 12
Ms A O'Connor	- appointed 1 4 12
T Robinson	- appointed 1 4 12
D Schofield	- appointed 1 4 12
Ms P Todd	- appointed 1 4 12
Ms V Greenhalgh	- appointed 23 5 12
Ms M Maguire	- appointed 23 5 12
Prof P Mogford	- appointed 23 5 12
Ms A Thorne	- appointed 10 10 12
Ms A Brodala	- appointed 10 10 12
C Bowser	- appointed 10 10 12

Academy Senior Leadership Team

Headteacher	M Jones
Assistant Headteacher	Mrs R Lindsay
Deputy Headteacher	Miss J Thieme
Deputy Headteacher	Mrs E Tack
Business Manager	Mrs L Jackson
Headteacher's PA	Mrs B Raleigh

Holmer Green Senior School
Governors Report
for the Period 28 October 2011 to 31 August 2012

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Fish Partnership LLP
The Mill House
Boundary Road
Loudwater
High Wycombe
Bucks
HP10 9QN

Bankers

Lloyds TSB
Dominions House 2nd Floor
Eton Place
64 High Street
Burnham
SL1 7JT

COMMENCEMENT OF ACTIVITIES

The charitable company was incorporated on 28 October 2011 and started operation as an academy from 1 April 2012

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 dated 24 February 2012 are the primary governing documents of the academy trust

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

Subject to the provisions of the Companies Act 2006, every governor of the academy trust shall be indemnified out of the assets of the academy trust against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with an application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the academy trust

Principal activities

The principal activity of the Charitable Company is to advance, for the public benefit, education in the United Kingdom by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum

Holmer Green Senior School
Governors Report
for the Period 28 October 2011 to 31 August 2012

STRUCTURE, GOVERNANCE AND MANAGEMENT

Method of recruitment and appointment or election of governors

The governors are appointed under the terms of the academy's articles of association. The total number of governors shall not be less than three but shall not be subject to any maximum. The governors should be made up as follows

- The governors may appoint up to 11 community governors,
- There shall be 4 staff governors, who are employees of the academy trust, providing the total number does not exceed one third of the total number of governors
- The headteacher shall be treated as being an ex-officio governor
- Any parent governors shall be elected by parents of registered pupils at the academy. There are currently 5 parent governors
- The governors may appoint up to 3 co-opted governors

The term of office for any governor, other than the headteacher, shall be 4 years. Any governor may be re-appointed or re-elected.

The governors shall each school year, at their first meeting in that year, elect a chairman and vice-chairman from among their number, with the exception of staff governors.

Policies and procedures adopted for the induction and training of new trustees

When a new governor is appointed they receive an induction pack and take part in a governor induction programme.

Organisational structure

The academy trust's governing body is made up of the governors, but also the members. The members are as follows

Headteacher/Accounting Officer - M Jones
Chair of Governors - Ms P Todd
Chair of Finance, Premises and Health and Safety Committee - T Robinson
Chair of People and Personnel Committee - N Marshment
Chair of Learning and Curriculum Committee - D Greenwood

The members and governor's hold committee meetings five times a year. Any decisions are made through the full agreement of the committee and are minuted.

Related Parties

In addition to the governors of the academy, Holmer Green Senior School Trust (Charity number 1051142) is also a related party of the academy. This is as a result of some of the governors of the academy being Trustees of the Trust.

Risk management

The governors have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Holmer Green Senior School has a Risk Management Policy which informs the approach to the risk management system, which is the established process by which the school identifies risk, assesses risk and manages risk in order that it should succeed in its planned objectives. Each approach is looked at in detail within the policy.

The Senior Leadership Team approve the academy's risk register on the monthly basis, ensure that the risk management system is functioning effectively, and annually review its effectiveness.

Holmer Green Senior School
Governors Report
for the Period 28 October 2011 to 31 August 2012

OBJECTIVES AND ACTIVITIES

Objectives and aims

The academy trust's principal object and activity is the operation of Holmer Green Senior School, and specifically

- the advancement, for the public benefit, of education in the United Kingdom, and,
- to promote, for the benefit of the inhabitants of Holmer Green and the surrounding areas, the provision of facilities for recreation or other leisure time, to individuals who have need of such facilities

Objectives, strategies and activities

In setting the objectives, the governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education

Objective

The main objective of the academy is to promote high quality teaching and learning at Holmer Green Senior School

Strategy

The academy aims to achieve this through their 'Whole School Priorities' which promotes GREAT learning

Group work and co-operation
Responsible learning and behaviour
Evaluation
Active and independent learning
Thinking creatively

Activities

There are four ways of measuring success of the activities of the academy

1 Achievement - Challenge and support all students to meet expected progress targets KS2-KS4 and KS4-KS5

- a) Establish clear expectations of minimum rates of progress for all students throughout KS3, KS4 and KS5
- b) Raise the rate of progress for Middle PA boys across all Key Stages to ensure that minimum achievement is in line with national average
- c) To ensure challenge targets and expectations are made explicit for staff, students and parents for all High PA students
- d) To develop subject specific literacy targets in all areas at KS3 to support all students to make progress

2 Quality of Teaching - Ensure effective assessment procedures are in place to both inform planning and monitoring of individual student learning

- a) Ensure that all subjects follow agreed practice and procedures as part of the whole school assessment policy
- b) Differentiation is made evident in all schemes of work, lesson plans, homework and teaching and learning activities with appropriate levels of challenge to ensure every student makes rapid and sustained progress
- c) Curriculum and lesson plans across all Key Stages seek to engage boys as independent, responsible and effective learners
- d) All subject areas actively seek and respond to students' feedback on learning activities and teaching strategies

Holmer Green Senior School
Governors Report
for the Period 28 October 2011 to 31 August 2012

OBJECTIVES AND ACTIVITIES

3 Behaviour and Safety - Ensure that all staff and students share responsibility for meeting high expectations of consideration and mutual respect

- a) Ensure that all Faculties have and display clear expectations for behaviour in their curriculum areas both in and outside of lesson times
- b) Ensure that high expectations are set for student punctuality to lessons and that all Faculties have clear sanctions in place for non-compliance
- c) All curriculum areas seek to promote boys' leadership, responsibility and participation in both lessons and extra-curricular activities to develop greater maturity and consideration for others
- d) Review and develop existing current PSHCE delivery in light of Ofsted evaluation to ensure that provision in all aspects is at least 'Good'

4 Quality of Leadership - Extend and clarify leadership expectations of all staff across all areas of the school

- a) All staff, students and parents as well as the Governing Body to be engaged in reviewing the school's existing Mission Statement and Guiding Principles to ensure that the core purpose and principles of the new academy are owned and embraced by the whole community
- b) To review and clarify 'leadership' roles of all staff and build strength and capacity to lead improvement across the whole school
- c) To ensure that the school's Self Evaluation Form gives an accurate review of performance measured against Ofsted expectations and that school leaders are supported in developing Faculty and Key Stage reviews highlighting current strengths and areas for development
- d) To review the current curriculum provision with the aim of promoting further 'high quality learning' experiences

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The first accounting period as an Academy sees the school prospering under new found freedoms and greater financial control to promote our aim to continually raise the standards of teaching and learning at Holmer Green Senior School

The period April 2012 to August 2012 saw the academy achieve the following examination results in line with or above the national average result of similar cohorts

A Level examinations - August 2012

- 99% pass rate at A*-E
- 68% students achieved A*-C grades
- Value added data (ALPs programme) places the school above average for student progress from GCSE to A Level outcomes
- Every student who applied to university secured their place

GCSE examinations - August 2012

- 81% of students achieved 5+ A*-C grades overall
- 51% achieved 5+ A*-C grades including English and Maths
- 67% achieved English Language GCSE
- 60% achieved Mathematics GCSE
- The overwhelming majority of students were able to progress to Level 3 courses either in our Sixth Form or at another local school or college. The other students were supported to enable them to move onto Level 2 courses at college or undertake a Level 2 Apprenticeship

Holmer Green Senior School
Governors Report
for the Period 28 October 2011 to 31 August 2012

OBJECTIVES AND ACTIVITIES

Objectives, strategies and activities

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.

FINANCIAL REVIEW

The Finance Committee meets five times a year to review the School's financial position and reports to the Full Governing Body.

The Academy has been funded from the Education Funding Agency through several funding streams, The General Academy Grant, The Local Authority Central Spend Equivalent Grant and Pupil Premium - the latter targeted to support students eligible for Free School Meals. Funding has also been received from Buckinghamshire County Council for Special Needs to support students with statements and identified needs. Additionally, the school has benefitted from income from Lettings and Rent from the Site Manager's House and a surplus carried forward from the previous School. All these funding streams have been used to maintain the high quality teaching to enable us to achieve our aim of raising standards year on year of teaching and learning. Money has been spent on maintaining and developing the site, the Humanities Block was repainted and fitted with new blinds, the Tower Block was fitted with new blinds and the flooring replaced to both stairways on all three floors, perimeter fencing was replaced to make the site more secure and works were carried out to improve electrics and heating in several areas of the building. The following Policies were approved by the Governing Body:

- 1 Financial Management Policy
- 2 Best Value Statement
- 3 Charging and Remissions Policy
- 4 Charging and External Examinations Policy
- 5 Financial Scheme of Delegation
- 6 Bribery and Corruption Policy
- 7 Fraud Policy
- 8 Capitalisation Policy
- 9 Risk Management Policy
- 10 Contingency and Business Continuity Plan

The Academy is currently developing its Policy on Reserves and Investments.

Reserves Policy

The reserves policy is to be developed during 2012/13.

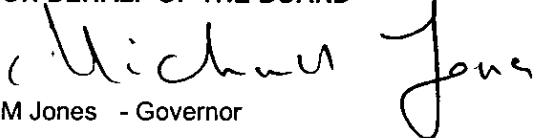
FUTURE DEVELOPMENTS

The further development of the School site and resources and the maintenance of high quality teaching and learning.

AUDITORS

The auditors, Fish Partnership LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD


M Jones - Governor

12 December 2012

Holmer Green Senior School
Governance Statement
for the Period 28 October 2011 to 31 August 2012

GOVERNANCE STATEMENT

Scope of Responsibility

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

The governing body has delegated the day-to-day responsibility to M Jones, 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 Holmer Green Senior School and the Secretary of State for Education. They are also responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

Governance

The governors have full responsibility for the charity and must

- act together and in person and not delegate control of the charity to others,
- act strictly in accordance with the academy's governing documents,
- act in the academy's interests only and without regard to their own private interests,
- manage the academy's affairs prudently throughout the life of the academy,
- not derive any personal benefit or gain from the academy of which they are trustees, and
- take proper professional advice on matters on which they are not themselves competent.

The governing body has formally met 2 times during the academy's first period. Attendance at these meetings of the governing body was as follows:

	Meetings attended	Out of a possible
Mrs P Todd (Chair)	2	2
H Cave (Vice Chair)	2	2
Mrs W Bridle	2	2
A Green (Responsible Officer)	2	2
D Greenwood	2	2
Mrs A Knight	2	2
D McArdle	1	2
N Marshment	2	2
T Robinson	2	2
Mrs V Greenhalgh	2	2
Mrs J Hollings	2	2
M Jones (Headteacher)	2	2
Miss M McGuire	2	2
Mrs J Moses	2	2
Q Ahmed	0	2
Mrs A O'Connor	1	2
D Schofield	1	2
Prof B Mogford	1	2

The Finance, Premises and Health and Safety Committee is a sub-committee of the main governing body. Its purposes are to oversee and monitor the academy's finances and site development and be responsible for ensuring that health and safety concerns are dealt with in a timely manner. The committee members are:

Holmer Green Senior School
Governance Statement
for the Period 28 October 2011 to 31 August 2012

	Meetings attended	Out of a possible
T Robinson (Chair)	1	2
Mrs A Knight	2	2
Mrs V Greenhalgh	1	1
M Jones (Headteacher)	2	2
D McArdle	1	2
D Schofield	1	2
A Green (Responsible Officer)	2	2

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 Holmer Green Senior School for the period ended 31 August 2012 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The governing body has reviewed the key risks to which the academy 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 ending 31 August 2012 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the governing body.

The Risk and Control Framework

The academy 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 Mr A Green, a governor, 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 governing body's financial responsibilities.

The RO function has been fully delivered in line with the Education Funding Agency's requirements. No material control issues have been identified as a result of the RO's work.

Holmer Green Senior School

**Governance Statement
for the Period 28 October 2011 to 31 August 2012**

Review of Effectiveness

As accounting officer, M Jones 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 General Purposes Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the governing body on 12 December 2012 and signed on its behalf by



Ms P Todd
Chair of Governors



M Jones
Accounting Officer

Holmer Green Senior School

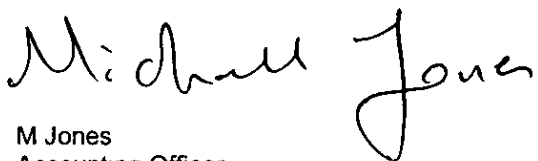
**Statement on Regularity, Propriety and Compliance
for the Period 28 October 2011 to 31 August 2012**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Holmer Green Senior School I have considered my responsibility to notify the academy trust governing body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy 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 governing body are unable 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.



M Jones
Accounting Officer

Holmer Green Senior School

Statement of Governors' Responsibilities for the Period 28 October 2011 to 31 August 2012

The governors (who act as trustees for charitable activities of Holmer Green Senior School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the governors' report and the financial statements in accordance with the Annual Accounts Requirements issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations

Company law requires the governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charity SORP,
- make judgements and estimates that are reasonable and prudent,
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

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

The governors are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

In so far as the governors are aware

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

Approved by order of the members of the governing body on 12 December 2012 and signed on its behalf by



Ms P Todd
Chair of Governors

Report of the Independent Auditors to the Members of Holmer Green Senior School

We have audited the financial statements of Holmer Green Senior School for the period ended 31 August 2012 on pages fifteen to thirty five. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (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 charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

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

Opinion on other matter prescribed by the Companies Act 2006

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

**Report of the Independent Auditors to the Members of
Holmer Green Senior School**

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Trustees



Martin Sheehy (Senior Statutory Auditor)
for and on behalf of Fish Partnership LLP
The Mill House
Boundary Road
Loudwater
High Wycombe
Bucks
HP10 9QN

18 December 2012

**Independent Reporting Accountant's Assurance Report on Regularity to
Holmer Green Senior School and the Education Funding Agency**

In accordance with the terms of our engagement letter dated 29 November 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2011/12, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Holmer Green Senior School during the period 28 October 2011 to 31 August 2012 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 Holmer Green Senior School and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Holmer Green Senior School and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Holmer Green Senior School and the EFA, for our work, for this report, or for the conclusion we have formed

Respective responsibilities of Holmer Green Senior School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Holmer Green Senior School's funding agreement with the Secretary of State for Education dated 1 April 2012 and the Academies Financial Handbook as published by DfE in 2006, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2011/12. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 28 October 2012 to 31 August 2012 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them

Approach

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

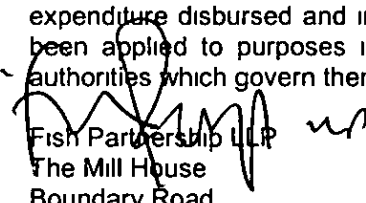
The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity

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

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

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 28 October 2012 to 31 August 2012 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them


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18 December 2012

Holmer Green Senior School

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Period 28 October 2011 to 31 August 2012**

	Notes	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	-	6,308	-	6,308
Transfers on conversion to academy	22	96,628	107,930	3,993,659	4,198,217
Activities for generating funds	3	4,956	-	-	4,956
Investment income	4	218	-	-	218
Incoming resources from charitable activities					
Funding for academy's educational operations	5	-	1,840,694	-	1,840,694
Other incoming resources		<u>39,607</u>	<u>2,328</u>	<u>-</u>	<u>41,935</u>
Total incoming resources		141,409	1,957,260	3,993,659	6,092,328
RESOURCES EXPENDED					
Charitable activities					
Academy's educational operations	6	-	1,835,612	50,530	1,886,142
Governance costs	10	-	10,288	-	10,288
Other resources expended		39,607	-	-	39,607
Transfers on conversion to academy		<u>-</u>	<u>1,099,000</u>	<u>-</u>	<u>1,099,000</u>
Total resources expended		39,607	2,944,900	50,530	3,035,037
NET INCOMING/(OUTGOING) RESOURCES before transfers					
		101,802	(987,640)	3,943,129	3,057,291
Gross transfers between funds	19	<u>-</u>	<u>(63,632)</u>	<u>63,632</u>	<u>-</u>
Net incoming/(outgoing) resources before other recognised gains and losses		101,802	(1,051,272)	4,006,761	3,057,291
Other recognised gains/losses					
Actuarial gains/losses on defined benefit schemes		<u>-</u>	<u>(33,000)</u>	<u>-</u>	<u>(33,000)</u>
Net movement in funds		101,802	(1,084,272)	4,006,761	3,024,291
TOTAL FUNDS CARRIED FORWARD		<u>101,802</u>	<u>(1,084,272)</u>	<u>4,006,761</u>	<u>3,024,291</u>

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

The notes form part of these financial statements

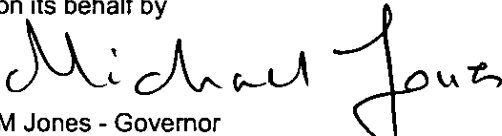
Holmer Green Senior School

**Balance Sheet
At 31 August 2012**

	Notes	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
FIXED ASSETS					
Tangible assets	14	-	-	4,022,041	4,022,041
CURRENT ASSETS					
Stocks		-	107,930	-	107,930
Debtors	15	250	78,558	9,819	88,627
Cash at bank		<u>101,552</u>	<u>122,923</u>	<u>-</u>	<u>224,475</u>
		101,802	309,411	9,819	421,032
CREDITORS					
Amounts falling due within one year	16	-	(238,683)	(25,099)	(263,782)
NET CURRENT ASSETS/(LIABILITIES)		<u>101,802</u>	<u>70,728</u>	<u>(15,280)</u>	<u>157,250</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		101,802	70,728	4,006,761	4,179,291
PENSION LIABILITY	18	-	(1,155,000)	-	(1,155,000)
NET ASSETS/(LIABILITIES)		<u>101,802</u>	<u>(1,084,272)</u>	<u>4,006,761</u>	<u>3,024,291</u>
FUNDS	19				
Unrestricted funds					101,802
Restricted funds					
General fund					70,728
Pension reserve					<u>(1,155,000)</u>
					(1,084,272)
Restricted fixed asset funds					<u>4,006,761</u>
TOTAL FUNDS					<u>3,024,291</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Governors on 12 December 2012 and were signed on its behalf by


M Jones - Governor

The notes form part of these financial statements

Holmer Green Senior School
Cash Flow Statement
for the Period 28 October 2011 to 31 August 2012

	Notes	£
Net cash inflow from operating activities	1	261,113
Returns on investments and servicing of finance	2	218
Capital expenditure and financial investment	2	(36,856)
Increase in cash in the period		<u>224,475</u>
Reconciliation of net cash flow to movement in net debt	3	
Increase in cash in the period		<u>224,475</u>
Change in net debt resulting from cash flows		224,475
Loans transferred		<u>(25,099)</u>
Movement in net debt in the period		199,376
Net debt at 28 October		<u>-</u>
Net debt at 31 August		<u>199,376</u>

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

The notes form part of these financial statements

Holmer Green Senior School

**Notes to the cash flow statement
for the Period 28 October 2011 to 31 August 2012**

1. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	£
Net incoming resources	3,057,291
Depreciation charges	47,223
Interest received	(218)
Noncash assets transferred on conversion	(4,101,590)
LGPS deficit transferred on conversion	1,099,000
Increase in debtors	(88,627)
Increase in creditors	225,034
Difference between pension charge and cash contributions	<u>23,000</u>
Net cash inflow from operating activities	<u>261,113</u>

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	£
Returns on investments and servicing of finance	
Interest received	<u>218</u>
Net cash inflow for returns on investments and servicing of finance	<u>218</u>
 Capital expenditure and financial investment	
Purchase of tangible fixed assets	<u>(36,856)</u>
Net cash outflow for capital expenditure and financial investment	<u>(36,856)</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 28 10 11 £	Cash flow £	Loans transferred on conversion £	At 31 8 12 £
Net cash				
Cash at bank	-	224,475	-	224,475
 Debt				
Debts falling due within one year	-	-	(25,099)	(25,099)
 Total	<u>-</u>	<u>224,475</u>	<u>(25,099)</u>	<u>199,376</u>

Holmer Green Senior School

Notes to the Financial Statements for the Period 28 October 2011 to 31 August 2012

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities

Going Concern

The accounts have been prepared on the going concern basis. 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.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Grants receivable

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

Donations

Donations are 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 in which it is receivable and to the extent the food have been provided or on completion of the service.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable activities

These are costs incurred on the academy's educational operations.

Governance costs

These include the costs attributable to the academy's compliance with constitutional and statutory requirements, including audit, strategic management and governor's meetings and reimbursed expenses. Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Holmer Green Senior School

Notes to the Financial Statements - continued for the Period 28 October 2011 to 31 August 2012

1 ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Leasehold property	- 2% on cost
Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

Depreciation is not charged in the year of acquisition but is charged in the year of disposal. The only exception to this is the depreciation of those assets donated from the predecessor school, for which depreciation is being charged during the first period in the academy.

Assets costing £2,000 or more, which have been acquired since the academy was established, are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. A review for impairment will be carried out in the event of changes in circumstances which indicate the carrying value of fixed assets may not be recoverable.

Where assets have been acquired with the aid of specific grants, whether from the government or from the private sector, the related grants are credited to the restricted asset fund and carried forward in the balance sheet. Where assets have been acquired with the use of the General Annual Grant or unrestricted income, the income will be initially credited to the relevant fund, restricted or unrestricted, then transferred to the restricted fixed asset fund. The depreciation on such assets is charged in the statement of financial activity over the expected useful economic life of the related asset on a basis consistent with the depreciation policy against the restricted fixed asset fund.

Assets with a value less than £2,000 are written off in the year of acquisition.

Assets acquired during the summer holidays are not capitalised until the following year. As assets will not be used until the subsequent period they do not provide benefit to the school, therefore they are deferred.

When the academy opened for business on 1 April 2012 the assets of the previous local authority maintained school were transferred to the academy at a donation value which has been calculated as follows:

Land and buildings

The donation value used to recognise the land and buildings in the balance sheet is the depreciated replacement cost as reported independently as at 31 March 2012.

The independent valuation gave a useful estimated life for the building of 22 years. However, in view of the continuous improvements and repairs carried out on the building the actual estimated life is considered to be in line with the depreciation policy of 2% on cost.

Furniture and equipment

The donation value used to recognise the furniture and equipment is three times the annual expenditure on furniture and equipment of the predecessor school.

Computer equipment

The donation value used to recognise the computer equipment is twice the annual expenditure on computer equipment of the predecessor school. This estimate is reflective of the depreciation rate applied to computer equipment.

Motor vehicles

The donation value used to recognise motor vehicles is the market value as at 1 April 2012.

Holmer Green Senior School

Notes to the Financial Statements - continued for the Period 28 October 2011 to 31 August 2012

1. ACCOUNTING POLICIES - continued

Stocks

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

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.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Restricted fixed asset funds represents resources which are to be applied to specific capital purposes imposed by the EFA where the asset is acquired is held for a specific purpose.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 18, 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.

Holmer Green Senior School

Notes to the Financial Statements - continued for the Period 28 October 2011 to 31 August 2012

1. ACCOUNTING POLICIES - continued

Transfers on conversion to an academy

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

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

The amounts transferred are as follows

<u>Unrestricted fund</u>	
Bank balance	£96,628
<u>Restricted fund</u>	
Library stock	£107,930
<u>Restricted fixed asset fund</u>	
Land and buildings	£3,900,000
Furniture and equipment	£5,681
Computer equipment	£126,727
Literacy fund	(£4,255)
Salix loan	(£24,833)
Capital loan	(£9,661)
Total	<u>£4,198,217</u>

Further details of the transaction are set out in note 22

2. VOLUNTARY INCOME

	£
Donations	6,308
Transfer from Local Authority on conversion	<u>4,198,217</u>
	<u>4,204,525</u>

3. ACTIVITIES FOR GENERATING FUNDS

	£
Hire of facilities	<u>4,956</u>

4. INVESTMENT INCOME

	£
Deposit account interest	<u>218</u>

Holmer Green Senior School

**Notes to the Financial Statements - continued
for the Period 28 October 2011 to 31 August 2012**

5 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Funding for academy's educational operations £
EFA grants	1,800,845
SEN Funding	<u>39,849</u>
	<u>1,840,694</u>

Grants received, included in the above, are as follows

	£
General Annual Grant	1,728,185
Insurance Grant	20,416
Bursary Funding	1,377
Pupil Premium	21,208
Start-up Grant	25,000
Rates Grant	<u>4,659</u>
	<u>1,800,845</u>

Holmer Green Senior School

**Notes to the Financial Statements - continued
for the Period 28 October 2011 to 31 August 2012**

5 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - continued

General Annual Grant (GAG)

a) Results and carry forward for the year

	£
GAG brought forward from previous year	-
GAG allocation for current year	<u>1,728,185</u>
Total GAG available to spend	1,728,185
Recurrent expenditure from GAG	(1,772,447)
Fixed Assets purchased from GAG	<u>(36,856)</u>
GAG carried forward to next year	(81,118)
Maximum permitted GAG carry forward at end of current year (12% of allocation for current year)	<u>(207,382)</u>
GAG to surrender to DfE	<u>(288,500)</u>
12% rule breached if result is positive	No breach

b) Use of GAG brought forward from previous year for recurrent purposes

(of the amount carried forward each year, a maximum of 2% of GAG can be used for recurrent purposes Any balance up to a maximum of 12%, can only be used for capital purposes)

Recurrent expenditure from GAG in current year	1,772,447
GAG allocation for current year	(1,728,185)
GAG allocation for previous year x 2%	<u>-</u>
GAG b/fwd from previous year in excess 2%, used on recurrent expenditure in current year	<u>44,262</u>
2% rule breached if result is positive	No breach (see below)

This is the first period of the academy, therefore, there is no GAG allocation for the previous year
The result is positive but this just reflects expenditure in excess of the GAG allocation for the current year

Holmer Green Senior School

**Notes to the Financial Statements - continued
for the Period 28 October 2011 to 31 August 2012**

6. RESOURCES EXPENDED

	Staff Costs	Non Pay Premises	Expenditure Other costs	Total 2012
	£	£	£	£
Cost of generating voluntary income	-	-	-	-
Costs of activities for generating funds	-	-	-	-
Academy's educational operations				
Direct costs	1,255,075	29,167	134,565	1,418,807
Allocated support costs	1,353,590	111,138	101,607	1,561,675
	<u>2,608,665</u>	<u>140,305</u>	<u>236,172</u>	<u>2,985,142</u>
Governance costs including allocated support costs	-	-	10,288	10,288
Other resources expended	-	-	39,607	39,607
	<u>2,608,665</u>	<u>129,340</u>	<u>286,067</u>	<u>3,035,037</u>

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	£
Staff costs	1,255,075
Departmental running costs	64,018
Exam fees	51,114
Depreciation	<u>47,223</u>
	<u>1,417,430</u>

8 GRANTS PAYABLE

	£
Other costs	<u>1,377</u>

The total grants paid to individuals during the period was as follows

	£
Grants to students	<u>1,377</u>

The above grants are paid from the Bursary funding received specifically for the students for whom the grants are received

Holmer Green Senior School

**Notes to the Financial Statements - continued
for the Period 28 October 2011 to 31 August 2012**

9 SUPPORT COSTS

Support costs are as follows

	Staff costs	Premises	Other costs	Funding for academy's educational operations	Total activities
	£	£	£	£	£
Wages	142,430	-	-	-	142,430
Social security	7,826	-	-	-	7,826
Pensions	71,159	-	-	-	71,159
Staff recruitment	4,575	-	-	-	4,575
Staff training	9,600	-	-	-	9,600
Interest payable and similar charges	19,000	-	-	-	19,000
Exceptional items	1,099,000	-	-	-	1,099,000
Rates and water	-	2,419	-	4,659	7,078
Light and heat	-	26,616	-	-	26,616
Repairs and Maintenance	-	49,573	-	-	49,573
Cleaning	-	27,871	-	-	27,871
Photocopier leases	-	-	2,580	-	2,580
Insurance	-	-	17,413	-	17,413
Telephone	-	-	1,371	-	1,371
Postage and stationery	-	-	5,241	-	5,241
Travel costs	-	-	4,084	-	4,084
Computer costs	-	-	16,049	2,490	18,539
Licenses and subscriptions	-	-	2,625	9,643	12,268
Catering	-	-	4,680	-	4,680
Professional fees	-	-	22,563	12,868	35,431
	<u>1,353,590</u>	<u>106,479</u>	<u>76,606</u>	<u>29,660</u>	<u>1,566,335</u>

10 GOVERNANCE COSTS

	£
Auditors' remuneration	9,038
Auditors' remuneration for non-audit work	<u>1,250</u>
	<u>10,288</u>

Holmer Green Senior School

**Notes to the Financial Statements - continued
for the Period 28 October 2011 to 31 August 2012**

11 NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting)

	£
Auditors' remuneration	9,038
Depreciation - owned assets	47,223
Other operating leases	<u>2,580</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the period ended 31 August 2012

Governor's remuneration and expenses

Principal and staff governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as governors. Other governors did not receive any payments, other than expenses, from the academy in respect of their role as governors. The value of governors' remuneration during the period was as follows

		£
Principal	M Jones	31,497
Other staff Governors		<u>43,198</u>

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 period ended 31 August 2012 was £213

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

Trustees' Expenses

During the period ended 31 August 2012, travel and subsistence expenses totalling £190 were reimbursed to 2 governors

Other related party transactions involving the trustees are set out in note 20

Holmer Green Senior School

**Notes to the Financial Statements - continued
for the Period 28 October 2011 to 31 August 2012**

13. STAFF COSTS

	£
Wages and salaries	1,200,131
Social security costs	89,616
Other pension costs	<u>186,743</u>
	<u>1,476,490</u>

The average monthly number of employees during the period was as follows

Teaching	60
Administration	21
Support	<u>40</u>
	<u>121</u>

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

	2012 No.
£90,000 +	nil
£80,000 - £90,000	1
£70,000 - £80,000	1
£60,000 - £70,000	1

3 of the above employees participated in the Teachers' Pension Scheme During the period ended 31 August 2012, pension contributions for these staff amounted to £11,535

14. TANGIBLE FIXED ASSETS

	Leasehold property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
Additions	-	4,443	32,413	36,856
Transfer on conversion	<u>3,900,000</u>	<u>5,681</u>	<u>126,727</u>	<u>4,032,408</u>
At 31 August 2012	<u>3,900,000</u>	<u>10,124</u>	<u>159,140</u>	<u>4,069,264</u>
DEPRECIATION				
Charge for year	<u>29,167</u>	<u>473</u>	<u>17,583</u>	<u>47,223</u>
NET BOOK VALUE				
At 31 August 2012	<u>3,870,833</u>	<u>9,651</u>	<u>141,557</u>	<u>4,022,041</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£
Other debtors	52,462
Prepayments and accrued income	<u>36,165</u>
	<u>88,627</u>

Holmer Green Senior School

**Notes to the Financial Statements - continued
for the Period 28 October 2011 to 31 August 2012**

16 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	£
Trade creditors	71,513
Taxation and social security	69,226
Other creditors	36,343
Accruals and deferred income	<u>86,700</u>
	<u>263,782</u>

17. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

	£
Expiring	
Between one and five years	<u>5,160</u>

Holmer Green Senior School

Notes to the Financial Statements - continued for the Period 28 October 2011 to 31 August 2012

18. PENSION COMMITMENTS

The academy's employees belong to two principal pension schemes the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Buckinghamshire 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 was 31 March 2004 and of the LGPS 31 August 2012 There were no outstanding or prepaid contributions at either the beginning or the end of the financial year

Teachers' Pension Scheme

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

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

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

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

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

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

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

Holmer Green Senior School

Notes to the Financial Statements - continued for the Period 28 October 2011 to 31 August 2012

18 PENSION COMMITMENTS

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

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2012 was £87,000, of which employer's contributions totalled £68,000 and employees' contributions totalled £19,000. The agreed contribution rates for future years are 22.8 per cent for employers and between 5.5 and 7.5 per cent for employees.

As described in note 1 the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

Additional disclosure should be made where the scheme is in deficit and the entity has entered into an agreement with the trustees to make additional contributions in addition to normal funding levels, including the number of years over which it is anticipated that the additional contributions will be paid.

Principal Actuarial Assumptions

At 31.8.12

Rate of increase in salaries	4.1%
Rate of increase for pensions in payment / inflation	1.9%
Discount rate for scheme liabilities	3.9%
Inflation assumption - RPI	2.7%
Inflation assumption - CPI	1.9%

The ASB Reporting Statement 'Retirement Benefits' recommends that disclosure should include a sensitivity analysis for the principal assumptions used to measure scheme liabilities, showing how the measurement of scheme liabilities would have been affected by changes in the relevant assumption that were reasonably possible at the balance sheet date.

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

At 31.8.12

Retiring today

Males	20.0
Females	24.0

Holmer Green Senior School

**Notes to the Financial Statements - continued
for the Period 28 October 2011 to 31 August 2012**

18. PENSION COMMITMENTS

Retiring in 20 years

Males

Females

22.0

25.9

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

	Expected Return At 31.8.12 %	Fair Value At 31.8.12 £'000
Equities	5.8	251
Gilts	2.8	27
Other Bonds	3.9	39
Property	5.3	31
Cash	0.5	8
Alternative Assets	5.8	<u>35</u>
Total market value of assets		391
Present value of scheme liabilities - Funded		<u>(1,546)</u>
Surplus/(deficit) in the scheme		<u><u>(1,155)</u></u>

The actual return on scheme assets was £10,000

Amount recognised in the statement of financial activities	2012 £'000
Current service cost (net of employee contributions)	72
Past service cost	<u>-</u>
Total operating charge	<u><u>72</u></u>

Analysis of pension finance income/(costs)

Expected return on pension scheme assets	8
Interest on pension liabilities	<u>(27)</u>
Pension finance income/(costs)	<u><u>(19)</u></u>

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 a £33,000 loss.

Holmer Green Senior School

**Notes to the Financial Statements - continued
for the Period 28 October 2011 to 31 August 2012**

18 PENSION COMMITMENTS

Movement in the present value of defined benefit obligations were as follows	2012 £'000
At 1 April 2012	1,393
Current service cost	72
Interest cost	27
Employee contributions	19
Actuarial (gain)/loss	35
	<u>1,546</u>

Movement in the fair value of the academy's share of scheme assets	2012 £'000
At 1 April 2012	294
Expected return on assets	8
Actuarial gain/(loss)	2
Employer contributions	68
Employee contributions	19
Benefits paid	-
	<u>391</u>

The history of experience adjustments is as follows

	2012 £'000
Present value of defined benefit obligations	(1,546)
Fair value of share of scheme assets	<u>391</u>
Deficit in the scheme	<u>(1,155)</u>
 Experience adjustments on share of scheme assets Amount	 2
Experience adjustments on share of scheme liabilities Amount	(35)

Holmer Green Senior School

**Notes to the Financial Statements - continued
for the Period 28 October 2011 to 31 August 2012**

19. MOVEMENT IN FUNDS

	At 28 10 11 £	Net movement in funds £	Transfers between funds £	At 31 8 12 £
Unrestricted funds				
General fund	-	101,802	-	101,802
Restricted funds				
General fund	-	134,360	(63,632)	70,728
Pension reserve	-	(1,155,000)	-	(1,155,000)
	-	(1,020,640)	(63,632)	(1,084,272)
Restricted fixed asset funds				
Restricted fixed asset	-	3,943,129	63,632	4,006,761
TOTAL FUNDS	-	<u>3,024,291</u>	-	<u>3,024,291</u>

Net movement in funds, included in the above are as follows

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	141,409	(39,607)	-	101,802
Restricted funds				
General fund	1,957,260	(1,822,900)	-	134,360
Pension reserve	-	(1,122,000)	(33,000)	(1,155,000)
	1,957,260	(2,944,900)	(33,000)	(1,020,640)
Restricted fixed asset funds				
Restricted fixed asset	3,993,659	(50,530)	-	3,943,129
TOTAL FUNDS	<u>6,092,328</u>	<u>(3,035,037)</u>	<u>(33,000)</u>	<u>3,024,291</u>

20. RELATED PARTY DISCLOSURES

Holmer Green Senior School Trust is a related party of the academy

During the year, the academy was reimbursed for £39,099 of expenditure incurred on behalf of the Trust. Included in debtors is £1,708 which relates to the Trust.

During the year, the Trust donated £6,305 in relation to refurbishment works carried out on behalf of the academy.

Holmer Green Senior School

Notes to the Financial Statements - continued for the Period 28 October 2011 to 31 August 2012

21. 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

22. CONVERSION TO AN ACADEMY TRUST

On 1 April 2012 the Holmer Green Senior School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Holmer Green Senior School from the Buckinghamshire Local Authority for £nil consideration

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

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

	Unrestricted Funds £	Restricted General Fund £	Restricted Asset Funds £	Total £
Tangible fixed assets				
Leasehold land and buildings	-	-	3,900,000	3,900,000
Other tangible fixed assets	-	-	132,408	132,408
LGPS pension surplus/(deficit)	-	(1,099,000)	-	(1,099,000)
Other identified assets and liabilities	96,628	107,930	(38,748)	165,810
Net assets	96,628	(991,070)	3,993,660	3,099,218

The above net assets include £96,628 that was transferred as cash