

**Company Registration Number 6544825**

**Archbishop Sentamu Academy  
(A Company Limited by Guarantee)**

**Annual Report  
and  
Financial Statements  
for the Year Ended 31 August 2011**

**SATURDAY**



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**Archbishop Sentamu Academy  
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for the Year Ended 31 August 2011**

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**Archbishop Sentamu Academy**  
**Year ended 31 August 2011**  
**Legal and Administrative Information**

**GOVERNORS**

Bishop Richard Frith	(Chairman)
Canon Ann Lees	(Vice Chair)
Philip Ashton	(Responsible Officer)
Graeme Brook	
Richard Brough	Appointed 9 December 2010
Andrew Chubb	(Principal)
Emma Davidson	Appointed 28 September 2010
Richard Davies	Resigned 29 September 2010
John Downing	Appointed 9 December 2010
Steve Fergusson	
John Holmes	Resigned 28 September 2010
Christine Randall	
Maddy Ruff	

**SENIOR MANAGEMENT**

Principal	Andrew Chubb
Senior Vice Principal	Mike Westerdale
Vice Principal	Chris Mulqueen
Finance Director	Steve Kelly

**SECRETARY**

Prima Secretary	Resigned 26 January 2011
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**REGISTERED OFFICE**

Diocesan Court  
Aviator Court  
Clifton Moor  
York  
YO30 4WJ

**BANKERS**

Yorkshire Bank  
Hull Financial Solutions Centre  
1 Earls Court  
Henry Boot Way  
Priory Park East  
Hull  
HU4 7DY

**AUDITORS**

Clive Owen & Co LLP  
Chartered Accountants  
Statutory Auditors  
140 Coniscliffe Road  
Darlington  
Co Durham  
DL3 7RT

**SOLICITORS**

Dickinson Dees LLP  
St Ann's Wharf  
112 Quayside  
Newcastle NE1 3DX

Eversheds LLP  
Bridgewater Place  
Water Lane  
Leeds  
LS11 5DR

Stone King Sewell LLP  
16 St Johns Lane  
London  
EC1M 4BS

**COMPANY REGISTRATION NUMBER**

6544825

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**Archbishop Sentamu Academy  
(A Company Limited by Guarantee)  
Year ended 31 August 2011**

**Report of the Governors**

The governors present their report together with the financial statements of the charitable company for the year ended 31 August 2011. The report has been prepared in accordance with Part VI of the Charities Act 1993.

The financial statements have been prepared in accordance with the accounting policies on pages 19 to 21 of the attached financial statements, and comply with the charitable company's memorandum and articles of association, the Companies Act 2006, and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" as issued in March 2005 ('SORP 2005').

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The Academy is a company limited by guarantee with no share capital (registration no 6544825) and an exempt charity. The charitable company's memorandum and articles of association are the prime governing documents of the Academy.

The Governors act as the trustees for the charitable activities of the Academy and are also the directors of the Charitable Company for the purposes of company law.

Details of the Governors who served throughout the year except as noted are included in the Legal and Administrative Information on page 1.

One member of the charitable company is nominated by the person holding the position of Bishop of Hull and the person holding the position of Director of Education for the York Diocese. The Secretary of State for Education has the right to appoint a representative but has not currently exercised this right. The board may, providing they agree unanimously, appoint and remove other members to and from the Governing Body.

The number of governors shall not be less than three.

**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.

**Governors' indemnities**

The Academy has purchased insurance to protect Governors from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. Further details are provided in note 12.

**Archbishop Sentamu Academy  
(A Company Limited by Guarantee)  
Year ended 31 August 2011**

**Report of the Governors (continued)**

**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

**Governors**

The term of office for any governor shall be 4 years, subject to remaining eligible to be a particular type of governor, any governor may be re-appointed or re-elected

During the period under review, the Governor's held 9 meetings. Three of these were Finance & Personnel Committee meetings, 4 were Full Governing Body meetings, and 2 were Full Governing Body Away Days. The training and induction provided for new governors will depend on their existing experience. Where necessary, induction will provide training on charity, educational, legal and financial matters. They are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents they will need to undertake their role.

All new Governors are given a tour of the Academy as well as the chance to meet with staff and students.

**Organisational Structure**

The organisational structure consists of two levels: the Governors and The Senior Leadership Team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of budgets and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

The Senior Leadership Team are the Principal, two Vice Principals, three Assistant Vice Principals and the Finance Director. 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 Leadership Team are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for posts in the Senior Leadership Team always contain a Governor. Some spending control is devolved to Subject Team Leaders, with limits above which a Senior Leadership Team member must countersign.

**Risk Management**

The governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance.

They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk.

**Archbishop Sentamu Academy  
(A Company Limited by Guarantee)  
Year ended 31 August 2011**

**Report of the Governors (continued)**

**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

**Subsidiary company**

The Academy owns 100% of the issued ordinary shares of Archie Student Activities Limited, a company incorporated in England (registration no 6817443) which began trading in February 2010

Archie Student Activities continued to trade a successful smoothie bar during the year and has begun to develop the modbac, an alternative to the English Baccalaureate which a number of other Academies have signed up to on a subscription basis

**Connected organisations**

The Diocese of York are sponsors of Archbishop Sentamu Academy. During the year the Diocese of York have donated £250,000 as a contribution to the endowment fund, the income from which can be used to further the Academy's objectives

In addition the Diocese secured a third party donation of £10,000

**OBJECTIVES AND ACTIVITIES**

**Objects, aims and objectives**

The principal object and activity of the charitable company is the operation of Archbishop Sentamu Academy, to provide education for students of all abilities between the ages of 11 and 19, with emphasis on Health Sciences and Business Enterprise

In accordance with the articles of association the charitable company has adopted a "Scheme of Government" approved by the Secretary of State. This scheme of government specifies, amongst other things, the basis for admitting students to the Academy

The main objectives of the Academy during the year ended 31 August 2011 are summarised below

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

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**Archbishop Sentamu Academy  
(A Company Limited by Guarantee)  
Year ended 31 August 2011**

**Report of the Governors (continued)**

**OBJECTIVES AND ACTIVITIES (continued)**

**Strategies and activities**

The Academy's main strategy is to provide its students with "Life in all its fullness" To this end the activities provided include

- tuition and learning opportunities for all students to attain appropriate academic qualifications,
- training opportunities for all staff,
- the placing of students with industrial and commercial partners,
- a programme of sporting and after school leisure activities for all students,
- a system of other clubs to allow students to explore the Academy's specialisms in a practical and project-oriented way This includes the opportunity for students to run their own business, and
- a careers advisory service to help students obtain employment or move on to higher education

**Public Benefit**

The charity's aims and achievements are set out within this report The activities set out in this report have been undertaken to further the Charity's charitable purposes for the public benefit The Governors have complied with the duty under Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charities Commission and the Governors have paid due regard to this guidance in deciding what activities the charity should undertake

**Equal opportunities policy**

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

**Disabled persons**

Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of the Academy The policy of the Academy is to support recruitment and retention of students and employees with disabilities The Academy does this by adapting the physical environment, by making support resources available and through training and career development

**Archbishop Sentamu Academy  
(A Company Limited by Guarantee)  
Year ended 31 August 2011**

**Report of the Governors (continued)**

**ACHIEVEMENTS AND PERFORMANCE**

The Academy is now in its fourth year of operation, and remains significantly over subscribed in several year-groups. It has continued its expansion of the 6th form, and now offers a full range of A-Level and BTec National Courses.

In April 2011, The Academy was judged to be "Good, with Outstanding Features" by OfSTED in our full section 5 inspection, and in May, the National Society judged us to be Outstanding in our section 48 SIAS inspection. Staff and students alike were justifiably proud of these achievements.

Exam results for 2011 were the best for the history of the academy, improving again significantly on last year's grades, which in themselves were a record. Significant achievements include the following: 5\* A-G including English and Maths 100%, 5\* A-C 94%, 5\* A-C including English and Maths 48.5%. These are very creditable achievements and testimony to the inclusive nature of our policies and practices.

**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**

**Financial report for the year**

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

The Academy also receives grants for fixed assets from the DfE/YPLA and its partners Hull PCT and Hull City Council. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2011, total expenditure of £8,117,000 was less than covered by recurrent grant funding from the DfE/YPLA together with other incoming resources and funds brought forward. The excess of expenditure over income for the year (before transfers and actuarial gains, and excluding restricted fixed asset funds) was £277,000.

At 31 August 2011 the net book value of fixed assets was £433,000 and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Academy held fund balances at 31 August 2011 of £881,000 comprising £401,000 of restricted funds (including the pension deficit of £77,000), £261,000 of endowment funds and £219,000 of unrestricted general funds.



**Archbishop Sentamu Academy  
(A Company Limited by Guarantee)  
Year ended 31 August 2011**

**Report of the Governors (continued)**

**FINANCIAL REVIEW (continued)**

**Financial and Risk Management Objectives and Policies**

The Academy is subject to a number of risks and uncertainties in common with other Academies. The Academy has in place procedures to identify and mitigate financial risks. These are discussed further in the Risk Management section of this report, and in the Statement on Internal Control.

**Principal risks and uncertainties**

The principal risks and uncertainties are centred around changes in the level of funding from the YPLA/DfE. In addition the Academy is a member of the Local Government Pension Scheme (LGPS), which results in the recognition of a significant deficit on the Academy balance sheet.

**Reserves Policy**

The governors review the reserve level of the Academy annually. This review currently looks at the considerable number of new initiatives being supported throughout the Academy and ensure sufficient reserves are retained for such activities to be sustainable long term, where appropriate.

Given the commissioning of our new site in September 2011, the governors review looks at the 5 year plan and currently reserves planning is driven by future requirements on the new site rolling out from the current year end position.

This significant future expenditure leads the academy to view the maximum short term carried forward funding as desirable and will only convert such aspirations to a more formula driven reserves policy once future plans are finalised. The Academy intends to continue building free reserves to the maximum allowable carry forward under DfE/YPLA guidance without compromising operational delivery or commissioning of our new facility.

**PLANS FOR FUTURE YEARS**

The Academy will continue striving to improve levels of performance of its students at all levels and will continue its efforts to ensure its students secure employment or a place in higher education once they leave. The Academy will also continue to ensure that recruitment to planned resource levels reflect increased student numbers in our new building.

The Academy is working increasingly closely with its partner primary and pre-primary schools, and to this end, has formed the Association of East Hull School (AEHS). The association focuses on developing strategies that will further enhance student achievement in all member schools, including, for example, joint lesson observations by two head-teachers.

Additionally, the Academy is developing its role in providing school to school support. The Principal has become a Local Leader of Education (LLE), and aims to undertake this work from January 2012.

The Academy is also taking a lead in curriculum development at a national level, last year it launched a national pilot of a new baccalaureate award (The Modern Baccalaureate), which it intends to develop and introduce into more schools and academies in future years.

**Archbishop Sentamu Academy  
(A Company Limited by Guarantee)  
Year ended 31 August 2011**

**Report of the Governors (continued)**

**AUDITOR**

The Governors confirm that so far as they are aware, there is no relevant audit information of which the Charitable Company's auditors are unaware. They have taken all the steps that they ought to have taken as Governors in order to make themselves aware of any relevant audit information and to establish that the Charitable Company's auditors are aware of that information.

The auditors, Clive Owen & Co LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

**APPROVAL**

The report of the governors was approved by the governors on 5 December 2011 and signed on their behalf by



Bishop Richard Frith  
Chairman

**Archbishop Sentamu Academy  
Year ended 31 August 2011  
Statement on Internal Control**

**Scope of responsibility**

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

The Governing Body has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Archbishop Sentamu Academy 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.

**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 reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy 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 Archbishop Sentamu Academy for the year ended 31 August 2011 and up to the date of approval of the annual report and Financial Statements.

**Capacity to handle risk**

The Governing Body has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year ending 31 August 2011 and up to the date of approval of the annual report and Financial Statements. This process is regularly reviewed by the Governing Body.

**The risk and control framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body,
- regular reviews by the Governing Body of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes,
- effective use of the Responsible Officer (RO) as described below and his reports,
- setting targets to measure financial and other performance,
- clearly defined purchasing (asset purchase or capital investment) guidelines,
- delegation of authority and segregation of duties, and
- identification and management of risks.

**Archbishop Sentamu Academy**  
**Year ended 31 August 2011**  
**Statement on Internal Control (continued)**

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 P Ashton, Governor, as RO. The RO's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. On a termly basis, the RO reports to the Governing Body, via the Finance and HR committee, on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

These visits include, but are not limited to, reviewing transactions and supporting documentation in bank reconciliations, monthly payroll, orders, supplier invoices, payments, petty cash and tendering processes.

**Review of effectiveness**

As Accounting Officer, the Principal 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 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 Governing Body and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Statement on Internal Control was approved by the Governing Body on 5 December 2011 and signed on its behalf by



Bishop Richard Frith  
Chairman



Andrew Chubb  
Accounting Officer

**Archbishop Sentamu Academy**  
**Year ended 31 August 2011**  
**Statement of Governors' Responsibilities**

The Governors (who are also the trustees of Archbishop Sentamu Academy for the purpose of charity law and directors for the purposes of company law) are responsible for preparing the Governors' Report and the Financial Statements in accordance with the Annual Accounts Requirements issued by the Young People's Learning Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations

Company law requires the Governors 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 estimates that are reasonable and prudent,
- state whether applicable UK accounting standards have been followed, subject to any material
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in operation

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the 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 YPLA/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.

The Statement of Governors' Responsibilities was approved by the governing body on 5 December 2011 and signed on its behalf by



Bishop Richard Frith  
Chairman

## **Archbishop Sentamu Academy**

**Year ended 31 August 2011**

### **Report of the Independent Auditors to the Members of Archbishop Sentamu Academy**

We have audited the financial statements of Archbishop Sentamu Academy for the year ended 31 August 2011 which comprise the Statement of Financial Activities (incorporating an Income and Expenditure Account and Statement of Total Recognised Gains and Losses), the Balance Sheet, the Cash Flow Statement 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 Annual Accounts Direction 2010/11 issued by the Young People's Learning Agency.

This report is made solely to the 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 Governors and auditors**

As explained more fully in the Statement of Governor's Responsibilities set out on page 11, the Governors (who are also the trustees for the charitable activities of Archbishop Sentamu Academy and are 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 Governors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Governors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2011, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- have been prepared in accordance with the Accounts Direction 2010/11 issued by the Young People's Learning Agency,
- have been prepared in accordance with the requirements of the Companies Act 2006, and
- grants made by the Young People's Learning Agency/Department for Education have been applied for the purposes intended.

**Archbishop Sentamu Academy  
Year ended 31 August 2011**

**Report of the Independent Auditors to the Members of Archbishop Sentamu Academy**

**Opinion on other matter prescribed by the Companies Act 2006**

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

**Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept or 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



Christopher Beaumont BA (Hons) FCA DChA  
Senior Statutory Auditor  
For and on behalf of Clive Owen & Co LLP  
Chartered Accountants  
Statutory Auditors  
140 Coniscliffe Road  
Darlington  
Co Durham  
DL3 7RT

05 December 2011

# Archbishop Sentamu Academy

## Statement of Financial Activities for the Year to 31 August 2011

(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Endowment Funds £000	Total 2011 £000	Total 2010 as restated £000
<b>Incoming resources</b>							
<i>Incoming resources from generated funds</i>							
Voluntary income	4	-	-	-	260	260	1
Investment income	5	10	68	-	-	78	-
<i>Incoming resources from charitable activities</i>							
Funding for the Academy's educational operations	6	33	7,252	92	-	7,377	6,900
Project management grants	6	-	-	-	-	-	-
<b>Total incoming resources</b>		<b>43</b>	<b>7,320</b>	<b>92</b>	<b>260</b>	<b>7,715</b>	<b>6,901</b>
<b>Resources expended</b>							
<i>Charitable activities</i>							
Academy's educational operations	8	99	7,789	217	-	8,105	7,029
Governance costs	9	-	12	-	-	12	9
<b>Total resources expended</b>	7	<b>99</b>	<b>7,801</b>	<b>217</b>	<b>-</b>	<b>8,117</b>	<b>7,038</b>
<b>Net (outgoing) incoming resources before transfers</b>		<b>(56)</b>	<b>(481)</b>	<b>(125)</b>	<b>260</b>	<b>(402)</b>	<b>(137)</b>
<b>Transfers</b>							
Gross transfers between funds	18	-	(181)	181	-	-	-
<b>Net (outgoing) incoming resources before other recognised gains and losses</b>		<b>(56)</b>	<b>(662)</b>	<b>56</b>	<b>260</b>	<b>(402)</b>	<b>(137)</b>
<b>Other recognised gains and losses</b>							
Actuarial gains on defined benefit pension schemes	18,29	-	444	-	-	444	(122)
<b>Net movement in funds</b>		<b>(56)</b>	<b>(218)</b>	<b>56</b>	<b>260</b>	<b>42</b>	<b>(259)</b>
<b>Reconciliation of funds</b>							
Total funds brought forward at 1 September 2010	18	(245)	706	377	1	839	1,245
Prior year adjustment	2	520	(520)	-	-	-	-
<b>Total funds carried forward at 31 August 2011</b>	18	<b>219</b>	<b>(32)</b>	<b>433</b>	<b>261</b>	<b>881</b>	<b>986</b>

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

The notes on pages 19 to 38 form part of the financial statements



# Archbishop Sentamu Academy

## Income and Expenditure Account for the Year to 31 August 2011

		2011	2010
	Notes	£000	as restated £000
<b>Income</b>			
DfE/YPLA General Annual Grant (GAG)	6	5,925	5,107
DfE/YPLA Start Up Grant	6	464	553
DfE/YPLA capital grants	6	92	120
Other DfE / YPLA grants	6	432	598
Other Government grants	6	160	203
Voluntary income	4	260	1
Investment income	5	78	
Other income	6	304	319
<b>Total income</b>		<b>7,715</b>	<b>6,901</b>
<b>Expenditure</b>			
Staff costs	7	5,243	4,671
Non pay expenditure			
Premises	7	560	666
Other	7	2,097	1,710
Depreciation	13	217	154
<b>Total expenditure</b>		<b>8,117</b>	<b>7,201</b>
<b>Net Income / (Expenditure) for the year</b>		<b>(402)</b>	<b>(300)</b>

The income and expenditure account is derived from the statement of financial activities on page 14 which, together with the notes to the financial statements on pages 19 to 38 provides full information on the movements during the year on all the funds of the Academy Trust

All of the Academy's activities derived from continuing operations during the above two financial periods

**Archbishop Sentamu Academy**

**Statement of Total Recognised Gains and Losses for the Year to 31 August 2011**

	Notes	2011 £000	2010 as restated £000
Excess of income over expenditure for the year		(402)	(300)
Actuarial (losses) gains on defined benefit pension schemes	29	444	(122)
<b>Total recognised gains and losses for the year</b>		<b>42</b>	<b>(422)</b>
<b>Net movement to (from) funds</b>			
Endowment fund		260	1
Restricted funds		(162)	(525)
Unrestricted fund		(56)	102
		<b>302</b>	<b>(422)</b>

**Archbishop Sentamu Academy**  
**Balance sheet as at 31 August 2011**

**Company Number**  
**6544825**

	Notes	2011 £000	2011 £000	2010 as restated £000	2010 as restated £000
<b>Fixed assets</b>					
Tangible assets	13		433		377
Investments	14		-		-
<b>Total fixed assets</b>			<u>433</u>		<u>377</u>
<b>Current assets</b>					
Stock	15	56		74	
Debtors	16	390		660	
Cash at bank and in hand		<u>781</u>			
<b>Total current assets</b>		<u>1,227</u>		<u>734</u>	
<b>Liabilities</b>					
<b>Creditors</b> . Amounts falling due within one year	17	<u>(702)</u>		<u>(840)</u>	
<b>Net current assets</b>			<u>525</u>		<u>(106)</u>
<b>Total assets less current liabilities</b>			<u>958</u>		<u>271</u>
<b>Net assets excluding pension liability</b>			<u>958</u>		<u>271</u>
Pension scheme liability	29		<u>(77)</u>		<u>(520)</u>
<b>Net assets including pension liability</b>			<u>881</u>		<u>(249)</u>
<b>Funds of the academy.</b>					
Endowment funds	18		261		1
<b>Restricted funds</b>					
Fixed asset funds	18		433		377
General funds	18		45		706
Pension reserve	18		<u>(77)</u>		<u>(520)</u>
<b>Total restricted funds</b>			<u>401</u>		<u>563</u>
<b>Unrestricted funds</b>					
General funds	18		219		275
<b>Total unrestricted funds</b>			<u>219</u>		<u>275</u>
<b>Total Funds</b>			<u>881</u>		<u>839</u>

The financial statements on pages 1 to 38 were approved by the Governors, and authorised for issue on 5 December 2011 and signed on their behalf by



Bishop Richard Frith  
Chairman

The notes on pages 19 to 38 form part of the financial statements

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**Archbishop Sentamu Academy****Cash Flow Statement for the year ended 31 August 2011**

	Notes	2011 £000	2010 as restated £000
Net cash inflow from operating activities	22	(100)	(261)
Returns on investments and servicing of finance	23	10	16
Capital expenditure	24	(217)	(143)
(Decrease) / increase in cash in the year	26	<u>(307)</u>	<u>(388)</u>
<b>Reconciliation of net cash flow to movement in net funds</b>			
Net funds at 1 September 2010		1,350	1,738
Net funds at 31 August 2011		<u>1,043</u>	<u>1,350</u>

## **Archbishop Sentamu Academy**

### **Notes to the Financial Statements for the year ended 31 August 2011**

#### **1 Statement of Accounting Policies**

##### **Basis of Preparation**

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

##### **Going Concern**

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

##### **Exemption from preparing consolidated financial statements**

The financial statements contain information about Archbishop Sentamu Academy as an individual charitable company and do not contain consolidated financial information as the parent of a group. The charitable company is exempt under Section 398 of the Companies Act 2006 and Section 383(c) of the SORP 2005 from the requirement to prepare consolidated accounts.

##### **Incoming Resources**

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

##### **- Grants receivable**

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

##### **- Sponsorship income**

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

##### **- Donations**

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

##### **- Other income**

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

## Archbishop Sentamu Academy

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

#### 1 Statement of Accounting Policies (continued)

##### Resources Expended

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

##### - Costs of generating funds

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

##### - Charitable activities

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

##### - Governance Costs

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

All resources expended are inclusive of irrecoverable VAT for the period to 31 March 2011. Since the 1 April 2011 the Academy has been able to recover VAT incurred.

##### Tangible 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. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

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

Long leasehold buildings	- over the residual period of lease
Fixtures, fittings and equipment	- 20% on cost
ICT equipment	- 33.33% on cost
Motor Vehicles	- 25% on cost

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

##### Leased Assets

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

##### Investments

The Academy's share holding in the wholly owned subsidiary, Archie Student Activities Limited, is included in the balance sheet at the cost of the share capital owned. There is no readily available market value and the cost of valuation exceeds the benefit derived.

## **Archbishop Sentamu Academy**

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

#### **1 Statement of Accounting Policies (continued)**

##### **Stock**

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

##### **Taxation**

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

##### **Pensions Benefits**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 29, the TP is a multi employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year

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

##### **Fund Accounting**

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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 Young People's Learning Agency/Department for Education

#### **2 Prior year adjustment**

The prior year adjustment relates to the restatement of the defined benefit pension scheme in relation to the LGPS as a restricted liability. It was previously classified as an unrestricted liability. This is in line with revised YPLA guidance

# Archbishop Sentamu Academy

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

### 3 General Annual Grant (GAG)

#### a. Results and Carry Forward for the Year

	2011	2010
	£000	as restated £000
GAG brought forward from previous year	33	310
GAG allocation for current year	5,925	5,107
<b>Total GAG available to spend</b>	<b>5,958</b>	<b>5,417</b>
Recurrent expenditure from GAG	(5,736)	(5,241)
Fixed assets purchased from GAG	(181)	(143)
<b>GAG carried forward to next year</b>	<b>-</b>	<b>33</b>

Maximum permitted GAG carry forward at end of current year (12% of allocation for current year)

**GAG to surrender to DfE**

(12% rule breached if result is positive)

	(711)	(613)
	-	-
	no breach	no breach

#### b Use of GAG Brought Forward from Previous Year for Recurrent Purpose:

(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	5,736	5,241
GAG allocation for current year	(5,925)	(5,107)
GAG allocation for previous year x 2%	(102)	(74)
<b>GAG b/fwd from previous year in excess of 2%, used on recurrent expenditure in current year</b>	<b>(291)</b>	<b>60</b>
(2% rule breached if result is positive)	no breach	in breach

### 4 Voluntary Income

	Unrestricted Funds	Restricted Funds	2011 Total	2010 Total as restated
	£000	£000	£000	£000
Donations from sponsor	-	260	260	-
Other Donations	-	-	-	1
	<b>-</b>	<b>260</b>	<b>260</b>	<b>1</b>

### 5 Investment Income

	Unrestricted Funds	Restricted Funds	2011 Total	2010 Total as restated
	£000	£000	£000	£000
Pension scheme interest	-	68	68	-
Short term deposits	10	-	10	16
	<b>10</b>	<b>68</b>	<b>78</b>	<b>16</b>



# Archbishop Sentamu Academy

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

### 6 Funding for Academy's educational operations

	Unrestricted Funds	Restricted Funds	Total 2011	Total 2010 as restated
	£000	£000	£000	£000
<b>DfE/YPLA capital grant</b>				
Devolved Formula Capital allocations	-	92	92	120
	<u>-</u>	<u>92</u>	<u>92</u>	<u>120</u>
<b>DfE / YPLA revenue grants</b>				
General Annual Grant (GAG) (note 3)	-	5,925	5,925	5,107
Start Up Grants	-	464	464	553
School Standards Fund	-	307	307	506
National Challenge	-	42	42	42
Other DfE / YPLA grants	-	83	83	50
	<u>-</u>	<u>6,821</u>	<u>6,821</u>	<u>6,258</u>
<b>Other Government grants</b>				
Extended schools programme	-	-	-	-
SEN from LA	-	80	80	93
Aim Higher	-	24	24	24
Specialist Schools and Academies Trust	-	11	11	13
SSCo	-	18	18	18
GTP Funding	-	27	27	55
	<u>-</u>	<u>160</u>	<u>160</u>	<u>203</u>
<b>Other grants and income</b>				
Contributions to trips/educational visits	-	58	58	1
Facilitating SHAD Diploma	-	53	53	-
Other Income	-	48	48	-
Uniform Sales	33	-	33	4
Hull Offer	-	30	30	-
LEA partnership working	-	29	29	106
Insurance Claims	-	19	19	41
Arts Council/Creative Partnership	-	15	15	17
Disadvantaged Subsidy	-	13	13	-
Eden Project	-	6	6	-
LEA income for specific students	-	-	-	43
Recharge Academy staff to other organisations	-	-	-	37
Supplier contributions and commissions	-	-	-	21
Facilitating IT Diploma	-	-	-	14
International activities	-	-	-	12
LEA share of staffing costs (pay award etc)	-	-	-	9
Specialist speech trust	-	-	-	6
Internal events and clothing sales to staff/students	-	-	-	5
Business and enterprise activities	-	-	-	2
Gifted and talented	-	-	-	1
	<u>33</u>	<u>271</u>	<u>304</u>	<u>319</u>
	<u>33</u>	<u>7,344</u>	<u>7,377</u>	<u>6,900</u>

# Archbishop Sentamu Academy

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

### 7 Resources Expended

	Staff Costs	Non Pay expenditure Premises	Other Costs	Total 2011	Total 2010 as restated £000
	£000	£000	£000	£000	
Academy's educational operations					
Direct costs	4,486	77	1,286	5,849	5,104
Allocated support costs	757	623	876	2,256	2,088
	<b>5,243</b>	<b>700</b>	<b>2,162</b>	<b>8,105</b>	<b>7,192</b>
Governance costs including allocated support costs	-	-	12	12	9
	<b>5,243</b>	<b>700</b>	<b>2,174</b>	<b>8,117</b>	<b>7,201</b>

### Net Incoming/outgoing resources for the year include

	2011 £000	2010 £000
Operating leases	-	-
Fees payable to auditor - audit	12	9
- other services	-	-
Profit/(loss) on disposal of fixed assets	-	-

# Archbishop Sentamu Academy

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

### 8 Chantable Activities - Academy's educational operations

	Unrestricted Funds	Restricted Funds	Total 2011	Total 2010 as restated
	£000	£000	£000	£000
<b>Direct costs</b>				
Teaching and educational support staff costs	-	4,486	4,486	3,994
Depreciation	-	77	77	57
Educational supplies	-	303	303	428
Examination fees	-	200	200	
Staff development	-	69	69	204
Educational consultancy	-	393	393	215
Other direct costs	-	321	321	43
	-	5,849	5,849	4,941
<b>Allocated support costs</b>				
Support staff costs	-	757	757	677
Depreciation	-	140	140	97
Recruitment and support	-	20	20	-
Maintenance of premises and equipment	-	214	214	295
Cleaning	-	87	87	111
Rent & rates	-	16	16	18
Insurance	-	101	101	99
Security and transport	-	65	65	24
Catering	-	154	154	119
Bank interest and charges	-	78	78	17
Other support costs	99	525	624	631
	99	2,157	2,256	2,088
	99	8,006	8,105	7,029

### 9 Governance costs

	Unrestricted Funds	Restricted Funds	Total 2011	Total 2010 as restated
	£000	£000	£000	£000
Auditors' remuneration				
Audit of financial statements	-	12	12	9
	-	12	12	9

# Archbishop Sentamu Academy

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

### 10 Staff costs

Staff costs during the period were

	Total 2011 £000	Total 2010 as restated £000
Wages and salaries	4,308	4,051
Social security costs	323	269
Other pension costs	521	351
		4,671
Supply teacher costs	91	-
	91	4,671

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

	2011 No.	2010 No.
<b>Charitable Activities</b>		
Teachers	71	61
Administration and support	77	70
Management	7	8
	155	139

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

	2011 No	2010 No.
£60,001 - £70,000	1	2
£110,001 - £120,000	-	1
£120,001 - £130,000	1	-

All of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2011, pension contributions for these staff amounted to £26,727 (2010: £34,448).

### 11 Governors' remuneration and expenses

Principal and staff governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the Academy in respect of their role as governors.

The Governors of the academy did not receive any reimbursement of travel and subsistence expenses incurred in the course of their duties.

Related party transactions involving the trustees are set out in note 30.

**Archbishop Sentamu Academy****Notes to the Financial Statements for the year ended 31 August 2011 (continued)****12 Governors' and Officers' Insurance**

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim, however this forms part of a wider policy and the cost of cover is not isolated.

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

**13 Tangible Fixed Assets**

	Freehold Land and Buildings	Leasehold Land and Buildings	Furniture and Equipment	Computer Equipment	Motor Vehicles	Total
	£000	£000	£000	£000	£000	£000
<b>Cost</b>						
At 1 September 2010	-	71	43	405	70	<b>589</b>
Additions	222	-	1	50	-	<b>273</b>
Disposals	-	-	-	-	-	-
At 31 August 2011	<b>222</b>	<b>71</b>	<b>44</b>	<b>455</b>	<b>70</b>	<b>862</b>
<b>Depreciation</b>						
At 1 September 2010	-	32	10	157	13	<b>212</b>
Charged in year	4	39	9	147	18	<b>217</b>
Disposals	-	-	-	-	-	-
At 31 August 2011	<b>4</b>	<b>71</b>	<b>19</b>	<b>304</b>	<b>31</b>	<b>429</b>
<b>Net book values</b>						
At 31 August 2011	<b>218</b>	<b>-</b>	<b>25</b>	<b>151</b>	<b>39</b>	<b>433</b>
At 31 August 2010	<b>-</b>	<b>39</b>	<b>33</b>	<b>248</b>	<b>57</b>	<b>377</b>

# Archbishop Sentamu Academy

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

### 14 Investments

	2011	2010 as restated
	£000	£000
Investment in wholly owned subsidiary company at cost (£2)	-	-

The Academy owns 100% of the issued ordinary shares of Archie Student Activities Limited, a company incorporated in England (registration no 6817443). The principal business activity of Archie Student Activities will be the development of student led business in many areas, this year a smoothie bar has been operated in the Academy by the subsidiary.

The investment is shown in the balance sheet at cost. Results for the year ended 31 August 2011 were as follows:

	2011	2010 as restated
	£	£
Capital and reserves	10,400	(2,039)
Profit/(loss) for period	12,439	(1,522)

### 15 Stock

	2011	2010 as restated
	£000	£000
Clothing	56	74
Catering	-	-
	56	74

# Archbishop Sentamu Academy

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

### 16 Debtors

	2011 £000	2010 as restated £000
Trade debtors	19	-
Prepayments and accrued income	292	638
Sundry debtors	3	13
VAT recoverable	63	-
Amount due from subsidiary undertaking	13	9
	<u>390</u>	<u>660</u>

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

	2011 £000	2010 as restated £000
Trade creditors	142	432
Taxation and social security	104	88
Other creditors	63	57
Accruals and deferred income	393	263
	<u>702</u>	<u>840</u>

### Deferred income

	2011 £000
Deferred Income at 1 September 2010	135
Resources deferred in the year	102
Amounts released from previous years	(134)
Deferred Income at 31 August 2011	<u>103</u>

The deferred income at the year end represents grants received for periods beyond the year end or specific grants with no expenditure incurred by the year end

# Archbishop Sentamu Academy

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

### 18 Funds

	Balance at 1 September 2010 £000	Incoming resources £000	Resources expended £000	Gains, losses and transfers £000	Balance at 31 August 2011 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	33	5,925	(5,736)	(181)	41
Start Up Grant	673	464	(1,133)	-	4
School Standards Fund	-	307	(307)	-	-
National Challenge	-	42	(42)	-	-
Other DfE/YPLA grants	-	83	(83)	-	-
LEA and other grants	-	159	(159)	-	-
Pension reserve	(520)	68	(69)	444	(77)
Other restricted	-	272	(272)	-	-
	<b>186</b>	<b>7,320</b>	<b>(7,801)</b>	<b>263</b>	<b>(32)</b>
<b>Restricted fixed asset funds</b>					
DfE/YPLA capital grants	144	92	(75)	-	161
Capital expenditure from GAG	170	-	(90)	181	261
Private sector capital sponsorship	63	-	(52)	-	11
	<b>377</b>	<b>92</b>	<b>(217)</b>	<b>181</b>	<b>433</b>
<b>Endowment funds</b>	<b>1</b>	<b>260</b>	<b>-</b>	<b>-</b>	<b>261</b>
<b>Total restricted funds</b>	<b>564</b>	<b>7,672</b>	<b>(8,018)</b>	<b>444</b>	<b>662</b>
<b>Unrestricted funds</b>					
Unrestricted funds	275	43	(99)	-	219
<b>Total unrestricted funds</b>	<b>275</b>	<b>43</b>	<b>(99)</b>	<b>-</b>	<b>219</b>
<b>Total funds</b>	<b>839</b>	<b>7,715</b>	<b>(8,117)</b>	<b>444</b>	<b>881</b>

General annual grant (GAG) must be used for the normal running costs of the Academy including salaries and related costs, overheads, repairs and maintenance and insurance. The Academy is allowed to carry forward a cumulative total at 31 August 2011 of up to £719,000, being equal to 12% of the current years GAG. Of the carried forward amount up to 2% of GAG can be used for general purposes at the discretion of the Academy, but any balance over 2% must be used for capital purposes. The carried forward balance (including other DfE/YPLA grants) available for future use is £Nil.

The Start Up grants cover the initial three years of the Academy's implementation for expenditure on acquiring basic stock of teaching and learning materials, transitional costs and recruitment and inductions costs.

School Standards Fund is money received to assist with the Academy's development and improvement agenda.

National Challenge is money to improve results in English and Maths across the country.

Other DfE/YPLA grants relates to the 16 - 18 Bursary and Pupil Premium. The Pupil Premium is additional funding to be spent as the school sees fit to support deprived students. The 16 - 18 Bursary is additional funding relating to the sixth form.

LEA and other government grants are received from Hull City Council to cover Sports Specialist Co-ordinator and Special Education Needs.

The pension reserve is the liability due to the deficit on the Local Government Pension Scheme. Further details are shown in note 29.

The restricted fixed asset funds represent monies received to purchase fixed assets. Depreciation is charged against each fund over the useful life of the associated assets.



# Archbishop Sentamu Academy

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

### 19 Analysis of net assets between funds

Fund balances at 31 August 2011 are represented by

	Unrestricted	Restricted	Restricted	Endowment	Total
	general fund	general fund	fixed asset	fund	2011
	£000	£000	fund	£000	£000
			£000		
Tangible fixed assets	-	-	433	-	433
Current assets	218	748	-	261	1,227
Current liabilities	-	(702)	-	-	(702)
Pension scheme liability	-	(77)	-	-	(77)
<b>Total net assets</b>	<b>218</b>	<b>(31)</b>	<b>433</b>	<b>261</b>	<b>881</b>

### 20 Capital commitments

	2011	2010
	£000	as restated £000
Contracted for, but not provided in the financial statements	-	-

### 21 Financial commitments

#### Operating leases

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

	2011	2010
	£000	as restated £000
<u>Land and buildings</u>		
Expiring within one year	-	-
Expiring within two and five years inclusive	-	-
Expiring in over five years	-	-
	<b>46</b>	<b>-</b>
<u>Other</u>		
Expiring within one year	-	-
Expiring within two and five years inclusive	-	-
Expiring in over five years	-	-
	<b>46</b>	<b>-</b>

# Archbishop Sentamu Academy

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

	2011	2010 as restated	
	£000	£000	
<b>22 Reconciliation of consolidated operating (deficit)/surplus to net cash inflow from operating activities</b>			
(Deficit)/surplus on continuing operations after depreciation of assets at valuation	(402)	(300)	
Depreciation (note 13)	217	154	
Capital grants from DfE and other capital income	(92)	(120)	
Interest receivable (note 5)	(10)	(16)	
FRS 17 pension cost less contributions payable (note 29)	69	(99)	
FRS 17 pension finance income (note 29)	(68)	15	
(Increase)/decrease in stocks	18	(74)	
(Increase)/decrease in debtors	270		
Increase/(decrease) in creditors	(102)	179	
<b>Net cash inflow from operating activities</b>	<b>(100)</b>	<b>(261)</b>	
<b>23 Returns on investments and servicing of finance</b>			
Interest received	10	16	
<b>Net cash inflow from returns on investment and servicing of finance</b>	<b>10</b>	<b>16</b>	
<b>24 Capital expenditure and financial investment</b>			
Purchase of tangible fixed assets	(273)	(263)	
Capital grants from DfE/YPLA	56	120	
<b>Net cash outflow from capital expenditure and financial investment</b>	<b>(217)</b>	<b>(143)</b>	
<b>25 Management of liquid resources</b>			
Withdrawals from deposits	-	-	
Placing of deposits	-	-	
<b>Net cash inflow from management of liquid resources</b>	<b>-</b>	<b>-</b>	
<b>26 Analysis of changes in net funds</b>	<b>At 1 September</b>	<b>Cash flows</b>	<b>At 31 August</b>
	<b>2010</b>		<b>2011</b>
	<b>as restated</b>		
	<b>£000</b>	<b>£000</b>	<b>£000</b>
Cash in hand and at bank	-	781	781
	-	781	781

## **Archbishop Sentamu Academy**

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

#### **27 Contingent Liabilities**

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to

- (a) the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy and
- (b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement

#### **28 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

## **Archbishop Sentamu Academy**

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

#### **29 Pension and similar obligations**

The Academy's employees belong to two principal pension schemes the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by East Riding 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 March 2010

Contributions amounting to £20,000 (2010 £18,000) were payable to the schemes at 31 August and are included within creditors

#### **Teachers' Pension Scheme**

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

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

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

Following the implementation of Teacher's Pension (Employers' Supplementary Contributions) Regulations 2000, the Government Actuary carried out a further review on the level of employer contributions For the period from 1 September 2010 to 31 August 2011 the employer contribution was 14.1 per cent The employee rate was 6.4% for the same period

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

## Archbishop Sentamu Academy

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

#### 29 Pension and similar obligations (continued)

##### 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 2011 was £250,000, of which employer's contributions totalled £201,000 and employees' contributions totalled £49,000. The agreed contribution rates for future years are 14.7 per cent for employers and 5.5 per cent to 7.5 per cent for employees.

##### Principal Actuarial Assumptions

	At 31 August 2011	At 31 August 2010
Rate of increase in salaries	4.90%	4.70%
Rate of increase for pensions in payment / inflation	2.60%	2.70%
Discount rate for scheme liabilities	5.40%	4.80%
Inflation assumption (CPI)	6.20%	6.30%
Commutation of pensions to lump sums	0%	0%

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 2011	At 31 August 2010
<i>Retiring today</i>		
Males	22.9	22.7
Females	25.7	26.1
<i>Retiring in 20 years</i>		
Males	24.9	24.8
Females	27.7	28.3

# Archbishop Sentamu Academy

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

### 29 Pension and similar obligations (continued)

#### Local Government Pension Scheme (Continued)

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

	Expected return at 31 August 2011 %	Fair value at 31 August 2011 £000	Expected return at 31 August 2010 %	Fair value at 31 August 2010 £000
Equities	6.80%	1,104	6.90%	740
Bonds	4.60%	160	4.30%	107
Property	4.80%	87		49
Cash	3.90%	102	4.00%	78
<b>Total market value of assets</b>		<b>1,453</b>		<b>974</b>
Present value of scheme liabilities				
- Funded		(1,530)		(1,494)
<b>Surplus/(deficit) in the scheme</b>		<b>(77)</b>		<b>(520)</b>

The actual return on the scheme assets was £100,000 (2010 £90,000)

#### Total expenditure recognised in the Statement of Financial Activities

	2011 £000	2010 £000
Current service cost (net of employee contributions)	149	141
Past service cost	-	(87)
<b>Total operating charge</b>	<b>149</b>	<b>54</b>

#### Analysis of pension finance income / (costs)

Expected return on pension scheme assets	(68)	(53)
Interest on pension liabilities	77	68
<b>Pension finance income / (costs)</b>	<b>9</b>	<b>15</b>

## Archbishop Sentamu Academy

### Notes to the Financial Statements for the year ended 31 August 2011

#### 28 Pension and similar obligations (continued)

##### Local Government Pension Scheme (Continued)

The actual 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 £262,000 loss (2010 £129,000 loss)

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

	2011 £000	2010 as restated £000
<b>At 1 September</b>	1,494	1,164
Current service cost	149	141
Interest cost	77	68
Employee contributions	61	58
Actuarial (gain)/loss	(249)	150
Benefits paid	(2)	-
Past Service cost	-	(87)
<b>At 31 August</b>	<b>1,530</b>	<b>1,494</b>

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

	2011 £000	2010 as restated £000
<b>At 1 September</b>	974	682
Expected return on assets	68	53
Actuarial gains / (losses)	195	28
Employer contributions	157	153
Employee contributions	61	58
Benefits paid	(2)	-
<b>At 31 August</b>	<b>1,453</b>	<b>974</b>

The estimated value of employer contributions for the year ended 31 August 2012 is £198,000

# Archbishop Sentamu Academy

## Notes to the Financial Statements for the year ended 31 August 2011

### 29 Pension and similar obligations (continued)

#### Local Government Pension Scheme (Continued)

The five-year history of experience adjustments is as follows:

	2011 £000	2010 £000	2009 £000	2008 £000	2007 £000
Defined benefit obligation at end of year	(1,530)	(1,494)	(1,164)	-	-
Fair value of plan assets at end of year	1,453	974	682	-	-
Deficit	(77)	(520)	(482)	-	-

#### Experience adjustments on share of scheme assets

Amount £'000*	195	28	(86)	-	-
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#### Experience adjustments on scheme liabilities

Amount £'000*	220	-	-	-	-
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### 30 Related Party Transactions

Owing to the nature of the Academy's operations and the composition of the board of governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of governors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

Right Reverend RM Frith is a director of The York Diocesan of Finance Ltd to which the Academy paid £24,000 (2010 £4,334) in respect of RE Teaching and chaplaincy and received £250,000 towards the sponsors endowment fund.

RA Lees has an interest in Diocese of York. The Academy paid £4,123 (2010 £5,201) during the year in respect of mileage and RE advisory costs.

J Holmes has interests in Hull College. During the year the Academy paid £46,410 (2010 £132,723) for the provision of education and received £nil (2010 £15,000) from them.

M Ruff has an interest in NHS Hull/Hull PCT. During the year the Academy received £900 contribution for a career academy assignment, in 2010 the Academy received £6,622 towards macbooks for health courses.