Registration Number 6995649 (England and Wales)

OUTWOOD GRANGE ACADEMIES TRUST

(A Company Limited by Guarantee)

ANNUAL REPORT

AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2011

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OUTWOOD GRANGE ACADEMIES TRUST

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OUTWOOD GRANGE ACADEMIES TRUST

ADMINISTRATIVE AND LEGAL INFORMATION

Directors (who are also Trustees)	**J Walkden** **M Wilkins** **D Beech** **R Harden** **P Watson**
Secretary	**C L Jones**
Senior staff	**Chief Executive and Academy Principal – M Wilkins** **Principal Outwood Grange – M Wilkins** **Principal Adwick – A Seneviratne** **Director of Finance – J Beevers**
Registered Office	**Potovens Lane** **Outwood** **Wakefield** **West Yorkshire** **WF1 2PF**
Bankers	**HSBC** **66 Westgate** **Wakefield** **West Yorkshire** **WF1 1XB**
Auditors	**Saffery Champness** **Sovereign House** **6 Windsor Court** **Clarence Drive** **Harrogate** **North Yorkshire** **HG1 2PE**
Solicitors	**Addleshaw Goddard** **Sovereign House** **Sovereign Street** **Leeds** **LS1 1HQ**
Company Registration Number	**6995649**

OUTWOOD GRANGE ACADEMIES TRUST

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 AUGUST 2011

INTRODUCTION

The Directors have pleasure in presenting their report and audited 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 20 to 22 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 Trust is a company limited by guarantee with no share capital (registration no 6995649) and an exempt charity which was established on 19 August 2009 in place of Outwood Grange College and North Doncaster Technology College which both ceased to exist as maintained schools on 31 August 2009 The charitable company's memorandum and articles of association are the primary governing documents of the Trust and sets out the membership of the charitable company

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

Directors

The Directors are Directors of the company for the purposes of the Companies Act 2006 and Trustees for the purposes of charity legislation

Directors are subject to retirement by rotation every four years, save that this time limit shall not apply to either the Academy Principal or the Principal Sponsor Subject to remaining eligible to be a particular type of Director, any Director may be re-appointed or re-elected

The Directors who were in office at 31 August 2011 and served throughout the year are listed on page 1

During the year under review the Directors held 19 meetings The training and induction provided for new Directors will depend on their existing experience Where necessary induction will provide training on charity and educational, legal and financial matters All new Directors will be given a tour of both Academies and the chance to meet with staff and students All Directors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Directors

Related parties

During the year the Trust made the following recharges to Outwood Grange Consultancy Company Limited, a company with a number of Directors in common

Recharges of teaching salaries - £179,000 (2010 - £543,000), recharges of support costs - £26,000 (2010 - £41,000) At the year end a balance of £83,000 (2010 - £208,000) was due from Outwood Grange Consultancy Company, which is included in year end debtors

During the year Outwood Grange Consultancy Company made a donation of £262,591 to the Trust (2010 - £nil)

During the year the Trust made the following recharges to Outwood Sports and Leisure Company Limited, a company with a number of Directors in common

Recharges of support costs – £9,000 (2010 - £1,400) At the year end a balance of £6,636 (2010 - £nil) was due from Outwood Grange Sports and Leisure Company Limited

During the year Outwood Grange Sports and Leisure Company made a donation of £1,858 to the Trust (2010 - £nil)

Statement of trustees' responsibilities

The trustees (who are also directors of Outwood Grange Academies Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2010/11 issued by the YPLA

Company law requires the trustees 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 these financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

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

Statement on Disclosure of Information to the Auditors

In so far as the directors are aware

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

Organisational Structure

The management structure consists of three levels the Board of Directors, the Academy Councils and the Senior Leadership Teams The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels

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

The Academy Councils act as advisory bodies to the OGAT Board

The senior leaders are the Chief Executive, the Executive Principals, the Principals, Vice Principals, Associate Vice Principals, Assistant Principals, Associate Assistant Principals, Operations Director, Director of Executive Services, Director of Human Resources (North and South), Director of Examinations and Qualifications, Director of Attendance and Student Support, Director of Post 16 Learning, Director of Training School and Director of Finance These managers control the individual academies at an executive level implementing the policies laid down by the Directors of the Board and reporting back to them As a group the senior leaders are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for posts in the Leadership Team always contain a Director

Risk Management

The Directors have assessed the major risks to which the Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Trust, and its finances The key risks have been determined as

- Health and safety issues – a student, employee or volunteer is injured at work
- Recruitment risk – recruiting someone unsuitable to work with children
- Legal risks – for example, risk that legislative requirements such as the Child Protection Act are not complied with

- Financial risks – uncertainty regarding future government funding streams

The Directors have implemented a number of systems to assess risks that the Trust 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 There are systems in place to minimise risks, including operational procedures (e g vetting of new staff and visitors, supervision of school grounds) and internal financial controls Where significant financial risk still remains the directors have ensured they have adequate insurance cover The Trust has an effective system of internal financial controls and this is explained in more detail on pages 12 to 14

OBJECTIVES AND ACTIVITIES

Objects and aims

The principal object and activity of the charitable company is to advance education in the UK for the public benefit, in particular by establishing, maintaining, carrying on, managing and developing its academies, offering a broad curriculum with strong emphasis on the specified specialisms of those academies In setting our objectives and planning our activities the Directors have given careful consideration to the Charity Commission's general guidance on public benefit

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

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

Strategies and activities

The vision for OGAT is to put 'Students First' and achieve world class status This applies to all aspects of the organisation and at every level The academies place students at the centre of everything they do, with a focus on maintaining a culture of success, a positive climate for learning, and student attainment, achievement and social and emotional development In raising standards for its own students the Trust contributes to the raising of educational standards and achievement generally across our academies through the mutual sharing of knowledge, expertise and resources from across the education, business, industry and voluntary sectors of Wakefield and Doncaster and the wider regional, national and global communities

The Trust will continue to develop its DNA in its academies through a 'seven strand' approach encompassing Leadership with Vision and Efficacy, Quality in the Classroom, Curriculum Design, Monitoring and Intervention, Systems & Policies, Targeted Professional Development and Praise Culture

The whole purpose of schools is that children come first and everything that is done must reflect this single goal The Trust's mantra is an all-encompassing 'Students First' It is an absolute priority that every student, irrespective of their starting point, succeeds and achieves In order to do this, a high quality educational experience is an entitlement for every student at the academies, with all parties – students, staff, parents/carers and the wider community working together to achieve these goals for young people within the communities of Outwood and Adwick Students with special needs are fully included and benefit from the focus on personalised learning and individual plans

The Trust Board's whole purpose is to raise standards for all students by sustaining and enhancing performance and to develop the whole child, whilst at the same time engaging and collaborating with other schools to help improve the life chances of all young people, locally, nationally and globally

Equal opportunities and employment of disabled persons

The Trust is committed to ensuring equality of opportunity for all who learn and work here We respect and value positively differences in race, gender, sexual orientation, ability, class and age We strive vigorously to remove conditions which place people at a disadvantage and we actively combat bigotry

The Trust considers all application forms from disabled persons, bearing in mind the aptitudes of the individuals concerned Where an existing employee becomes disabled, every effort is made to ensure that employment with the Trust continues The Trust's policy is to provide training, career development and opportunities for promotion, which are, as far as possible, identical to those for other employees

Public Benefit

The Trust considered the Charity Commission's guidance on Public Benefit The main public benefit delivered by the Trust is the provision of a high quality of education to its students This has been evidenced through the results achieved and feedback from external assessments

- **Outwood Grange Academy**

Outwood Grange is a National Leader in Education Support School and a designated specialist school for technology, arts, leadership development and training It has also recently attained Teaching School status

The predecessor college was judged as outstanding when inspected by Ofsted in 2006 and, thereafter, standards continued to be very high

In summer 2010 SIP/NCA made a third visit to Outwood Grange The SIP made the following comments in their report

"The self-avowed journey of Outwood Grange Academy to becoming 'world class' has taken another step in that direction this year In June 2010 the Executive Principal was presented by the Secretary of State for Education with the National College Recognition Award for Outstanding Contribution to System Leadership "

In January 2011 an Ofsted inspection took place which was the first monitoring inspection in connection with the academies initiative The following comments were made in the Ofsted report

- Since the academy opened, standards at the end of Key Stage 4 have continued to rise from their previous very high levels Underpinning this are recent marked improvements in students' progress in English and mathematics resulting from more effective subject leadership, teaching and support for underachievers
- Standards are improving in the academy's specialist subjects, technology and arts
- Students in the sixth form are rapidly improving their progress and standards in all subjects
- With the support of the academy, standards in all five schools within the Outwood Grange Family are improving strongly
- Improving attendance has been a key priority for the academy and this is rising quickly
- Students' behaviour has continued to improve significantly since the academy opened
- The overall effectiveness of the academy is improving rapidly because of the exceptional ambition, drive and guidance provided by the Chief Executive and senior leadership team

The overall Ofsted judgement was that the academy has made outstanding progress towards raising standards

- **Outwood Academy Adwick**

Outwood Academy Adwick has twin specialisms in sport and science

In January 2011 an Ofsted inspection took place which was the first monitoring inspection in connection with the academies initiative The following comments were made in the Ofsted report

- The academy's first examination results, published in summer 2010, showed a significant rise in overall attainment This reflects a much improved provision that better meets the needs of all groups of learners
- Improvements in teaching are securing more rapid gains in students' learning
- Students' progress in English and mathematics has accelerated
- Behaviour shows an improving trend This is reflected in students' conduct in lessons and around the academy site
- Attendance is improving and persistent absence is falling
- The innovative new curriculum has been influential in raising students' aspirations and promoting their personal development

The overall Ofsted judgement was that the academy has made good progress towards raising standards

Following the Ofsted review there was a YPLA SIP visit in the spring term to follow up on specific points The main comments from this were

- The trajectory of rising achievement will be sustained this year at Key Stage 4 with notable gains in English and mathematics
- In the sixth form, the latest predictions point to a substantial improvement in the average points score per examination entry
- The quality of teaching is now solidly good
- Behaviour across the academy is good

The Trust is mindful of its community responsibility and promotes high levels of participation from the local communities in its areas of specialism, such as technology and arts The Trust also plays its part in supporting the local authorities with their priorities in the Children and Young People's Plan The Academies aim to be a centre for the community and encourage use of their facilities by the local community throughout the day and at weekends through a variety of offers

ACHIEVEMENTS AND PERFORMANCE

The Trust is in its second year of operation with both academies opening on 1 September 2009 The total number of students in the year ended 31 August 2011 were as follows (2009/10 are shown for comparative purposes)

Outwood Grange Academy

	2010/11	2009/10
Years 7-11	1,793	1,791
Years 12-13	359	387

Outwood Academy Adwick

	2010/11	2009/10
Years 7-11	1,023	1,030
Years 12-13	185	178

The examination results for the 2010/11 academic year are summarised as follows

	Outwood Grange		Adwick	
	2010/11	2009/10	2010/11	2009/10
5+ A*-C All subjects	99 75% (97% 8+ A* - C)	98% (94% 8+ A* - C)	98%	98%
5+ A* - C Inc English and Maths	77%	71%	51%	46%
5+ A* - G All subjects	99 75%	99%	98%	98%
1+ A* - G All subjects	100%	100%	99%	100%

Post 16 results

At Outwood Grange the average QCA points achieved per candidate was 738 4 (744 9 in 2009/10) At Adwick the QCA score was 724 (487 2 in 2009/10)

Attendance

Outwood Grange achieved an attendance level of 93 9% (93 2% in 2009/10) and unauthorised absence was 3 8% (4 4% in 2009/10) At Adwick the attendance level was 90 65% (89 4% in 2009/10) and unauthorised absence was 4 25% (5 6% in 2009/10)

Going Concern

After making appropriate enquiries, the Directors have 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 Trust's income is obtained from the YPLA in the form of recurrent grants, the use of which is restricted to particular purposes The grants received from the YPLA during the year ended 31 August 2011 and the associated expenditure are shown as restricted funds in the statement of financial activities

The Trust also receives grants for fixed assets from the YPLA 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 £17 6m was more than covered by recurrent grant funding together with other incoming resources The excess of income over expenditure for the year (excluding restricted fixed asset funds) was £5 3m

At 31 August 2011 the net book value of fixed assets was £20 4m and movements in tangible fixed assets are shown in note 11 to the financial statements The value of fixed assets includes the assets that were "donated" by Wakefield MDC and Doncaster MBC as part of the transfer agreements The major item of expenditure on fixed assets during the year was £2 4m on the building of a new sports hall at Outwood Grange

The assets were used exclusively for providing education and the associated support services to the pupils of both academies

The deficit in the Local Government Pension Schemes (LGPS) are recognised on the balance sheet in accordance with the provisions of FRS 17

Reserves policy and financial position

Reserves policy

The directors review the reserve levels of the Trust annually This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves At the year end the Trust held £2 6m of unrestricted reserves and £25 8m of restricted reserves Reserves are held to ensure that the Academy has sufficient resources to continue to advance the education of pupils, including incurring the necessary capital expenditure

Under DfE guidelines, each Academy is allowed to carry forward up to 12% of the General Annual Grant (GAG) received in the year However, following discussions with the YPLA regarding the planned capital investment by the Trust over the next five years they have given permission for

OGAT to carry forward surpluses from the Outwood and Adwick sites in excess of 12% for 2010/11 and up to and including the academic year 2014/15

Financial position

The Trust held fund balances at 31 August 2011 of £28 3m comprising £26 9m of restricted funds and £2 6m of unrestricted general funds and a pension reserve deficit of £1 2m

Investment Policy

The Board introduced an Investment Strategy during 2010/11 due to the significant cash balances that the Trust was holding The general policy objective is to invest the surplus funds prudently The investment priorities are

- Security of the invested capital
- Liquidity of the invested capital
- And commensurate with security and liquidity, an optimum return on those investments

The total amount invested as at 31 August 2011 was £2 0m

PLANS FOR FUTURE PERIODS

As a major sponsor of academies, OGAT will continue to develop its chain of academies in order to continue to support children from challenging backgrounds We aim to provide the highest educational opportunities for all children as well as providing professional development for all teaching and support staff so that our academies continue to be self-developing and self-supporting in the future

Capacity building in advance of need is a big part of our drive, our willingness to engage with outside partners and with new and innovative practices will help us to continue to secure the high levels of success already achieved

AUDITORS

Saffery Champness have expressed their willingness to remain in office as auditors to the Trust

APPROVAL

The report of the Board was approved on 22 December 2011 and signed on their behalf by

J Walkden
Chairman

Statement on internal control

Scope of Responsibility

As Directors, we acknowledge we have overall responsibility for ensuring that Outwood Grange Academies Trust 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 Trust Board has delegated the day-to-day responsibility to the Chief Executive, 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 Outwood Grange Academies Trust and the Secretary of State for Education

The purpose of the system of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives, it can therefore only provide reasonable and not absolute assurance of effectiveness The system of internal control is based on an ongoing process designed to identify and prioritise the risk 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 Outwood Grange Academies Trust for the year ended 31 August 2011 and up to the date of the annual report and financial statements

The risk and control framework

The 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 reports which are reviewed and agreed by the Board,
- Regular reviews by the Board 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

In addition the Directors have considered the guidance for directors of public listed companies contained within the Turnbull Report They believe although it is not mandatory for the Trust it should, as a publicly funded body, adopt these guidelines as best practice Accordingly they have

- Set policies on internal controls which cover the following
    - The type of risks the Trust faces,
    - The level of risk which they regard as acceptable,
    - The likelihood of the risk materialising,
    - The Trust's ability to reduce the incidence and impact on the Trust's operation of risks that do not materialise,
    - The costs of operating particular controls related to the benefit obtained,
- Clarified the responsibility of the Senior Leadership Team to implement the Directors' policies and to identify and evaluate risks for the Directors' consideration,
- Explained to employees that they have responsibility for internal control as part of their accountability for achieving objectives,
- Embedded the control system in the Trust's operations so that it becomes part of the culture of the Trust,
- Developed systems to respond quickly to evolving risks arising from factors within the Trust and to change the external environment, and
- Included procedures for reporting failings immediately to appropriate levels of management and the Directors' together with details of corrective action being undertaken

The Directors have considered the need for a specific internal audit function and have decided not to appoint an internal auditor However, the Directors appointed Saffery Champness, as Responsible Officer (RO) The RO's role includes giving advice on financial matters and performing a range of checks on each academies financial system The RO reports to the Directors on a quarterly basis on the operation of the systems of control and on the discharge of the Trust Board's financial responsibilities The appointment of Saffery Champness as RO does not compromise the independence of the external audit, as adequate safeguards are in place to manage any conflict of interest, including the use of separate teams and reporting lines

These arrangements can provide only reasonable and not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period

Review of Effectiveness

As Accounting Officer the Chief Executive 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 team within the Trust who have responsibility for the development and maintenance of the internal control framework

Approved by order of the members of the Governing Body on 22 Dec 2016 and signed on its behalf by

J Walkden	M Wilkins
Chair	Accounting Officer

OUTWOOD GRANGE ACADEMIES TRUST

INDEPENDENT AUDITORS REPORT TO THE MEMBERS FOR THE YEAR ENDED 31 AUGUST 2011

We have audited the financial statements on pages 17 to 41 The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

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 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 company and the 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 Trustees' Responsibilities Statement, the trustees (who are also the directors of the 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 charity'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 Directors' Report to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

Opinion on financial statements
In our opinion the financial statements

- give a true and fair view of the charity's state of 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 and the Accounts Direction 2010/11 issued by the YPLA,
- have been prepared in accordance with the Companies Act 2006, and
- grants made by YPLA/DfE have been applied for the purposes intended

OUTWOOD GRANGE ACADEMIES TRUST

INDEPENDENT AUDITORS REPORT TO THE MEMBERS FOR THE YEAR ENDED 31 AUGUST 2011

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for 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

Alison Robinson (Senior Statutory Auditor)
For and on behalf of
Saffery Champness
Chartered Accountants
Statutory Auditors
Harrogate Office
Sovereign House
6 Windsor Court
Clarence Drive
Harrogate
HG1 2PE

22nd December 2011

OUTWOOD GRANGE ACADEMIES TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2011 (including income and expenditure account)

	Note	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2011	Total 2010
Incoming resources		£000	£000	£000	£000	£000
Incoming resources from generated funds						
Voluntary Income	2	264	-	-	264	18,919
Activities for Generating Funds	3	1,125	-	-	1,125	1,531
Incoming resources from charitable activities						
Funding for the Trust's educational operations	4	-	21,007	651	21,658	21,831
Total Incoming Resources		**1,389**	**21,007**	**651**	**23,047**	**42,281**
Resources expended	5					
Charitable Activities						
Trust's educational operations	6	743	16,271	587	17,601	18,125
Governance costs	7	-	37	-	37	65
Total resources expended		**743**	**16,308**	**587**	**17,638**	**18,190**
Net incoming resources before transfers		**646**	**4,699**	**64**	**5,409**	**24,091**
Gross transfer between funds	16	-	(2,312)	2,312	-	-
Net incoming resources before other recognised gains and losses		**646**	**2,387**	**2,376**	**5,409**	**24,091**
Other recognised gains and losses						
Pensions deficits recognised from Wakefield Metropolitan District Council and Bradford Metropolitan District Council	21	-	-	-	-	(1,818)
Actuarial gains/(losses) on defined benefit pension schemes	21	-	839	-	839	(184)
Net movement in funds		**646**	**3,226**	**2,376**	**6,248**	**22,089**
Funds brought forward at 1 September 2010		1,915	2,084	18,090	22,089	-
Funds carried forward at 31 August 2011		**2,561**	**5,310**	**20,466**	**28,337**	**22,089**

All incoming resources and resources expended are derived from continuing activities

OUTWOOD GRANGE ACADEMIES TRUST

BALANCE SHEET AS AT 31 AUGUST 2011

	Note	2011 £000	2010 £000
Fixed Assets			
Tangible Assets	11	20,437	17,817
Investments	12	2,000	-
		22,437	**17,817**
Current Assets			
Stock	13	9	6
Debtors	14	1,339	331
Cash at bank and in hand		7,581	7,749
		8,929	**8,086**
Current Liabilities			
Creditors - Amounts falling due within one year	15	(1,789)	(1,970)
Net current assets		**7,140**	**6,116**
Total assets less current liabilities		**29,577**	**23,933**
Net assets excluding defined benefit pension scheme liability		**29,577**	**23,933**
Defined benefit pension scheme liability	21	(1,240)	(1,844)
Net assets including defined benefit pension liability		**28,337**	**22,089**
Funds			
Income funds			
Restricted funds			
Restricted fixed asset fund	16	20,466	18,090
Restricted general fund	16	6,550	3,928
Pension Reserve	21	(1,240)	(1,844)
		25,776	**20,174**
Unrestricted Funds			
General Fund		2,561	1,915
Total unrestricted funds		**2,561**	**1,915**
		28,337	**22,089**

The notes on pages 20 – 41 form part of these financial statements

Approved by the Board on 22 December 2011 and signed on its behalf by

J Walkden *Director*

Company Registration No 6995649

OUTWOOD GRANGE ACADEMIES TRUST

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2011

	2011	2010
	£000	£000
Net cash inflow from operating activities	4,371	9,020
Returns on investments and servicing of finance (interest received)	18	-
Capital expenditure	(2,557)	(1,271)
Management of liquid resources	(2,000)	-
(Decrease)/increase in cash in the year	**(168)**	**7,749**

NOTES TO THE CASH FLOW STATEMENT

Reconciliation of operating surplus to net cash inflow from operating activities		
Operating surplus	5,409	24,091
Depreciation	587	459
Loss on disposal of fixed assets	-	759
Capital grants and other capital income	(651)	(644)
Non-cash donations (assets donated)	-	(17,119)
Interest receivable	(18)	-
FRS17 pension costs less contributions payable	196	(230)
FRS17 pension finance income	39	71
Increase in stocks	(3)	(6)
Increase in debtors	(1,008)	(331)
(Decrease)/increase in creditors	(180)	1,970
	4,371	**9,020**
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(3,208)	(1,915)
Capital funding received from sponsors and others	651	644
Net cash outflow from capital expenditure and financial investment	**(2,557)**	**(1,271)**
Management of liquid resources		
Placing of deposits	**(2,000)**	**-**

Analysis of changes in net funds

	At 31 August 2010	Cash flows	**At 31 August 2011**
	£000	£000	**£000**
Cash in hand and at bank	7,749	(168)	**7,581**
	7,749	(168)	**7,581**

OUTWOOD GRANGE ACADEMIES TRUST

PRINCIPAL ACCOUNTING POLICIES FOR THE YEAR ENDED 31 AUGUST 2011

Format of financial statements

The standard format for the financial statements as required by the Companies Act 2006 has been adapted to provide more appropriate information which complies with the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 ('Charities SORP 2005') and reflects the activities of the Trust The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

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

Incoming Resources

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

Donations

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

Donated services and gifts in kind

The value of donated services and gifts in kind provided to the Academy are recognised in the statement of financial activities as incoming resources and resources expended at their estimated value to the Academy in the period in which they are receivable, and where the benefit is both quantifiable and material

Resources Expended

Resources expended are recognised in the period in which they are incurred and include irrecoverable VAT They have been classified under headings that aggregate all costs relating to that activity Income is not netted off against expenditure

Allocation of costs

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

Governance costs

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

Fund accounting

General funds represent those resources which may be used towards meeting any of the objects of the Trust at the discretion of the Directors

Restricted funds comprise grants from the DfE and other donors which are to be used for specific purposes as explained in note 16

Tangible fixed assets

Tangible fixed assets acquired since the Trust was established are included in the accounts at cost

Assets inherited on establishment of the Trust are included in the accounts at the Directors' estimate of market value

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) The depreciation on such assets is charged in the statement of financial activities over the expected useful economic life of the related asset on a basis consistent with the depreciation policy

Assets costing less than £1,000 are written off in the year of acquisition All other assets are capitalised

Depreciation

Depreciation is provided on a straight line basis on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives The principal annual rates used for other assets are

Leasehold land	0 8%
Leasehold buildings	2%
Furniture and equipment	10%
Plant and machinery	10%
Computer and educational equipment	25%
Motor vehicles	25%

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

PRINCIPAL ACCOUNTING POLICIES FOR THE YEAR ENDED 31 AUGUST 2011

Stocks

Stocks, when held, are stated at the lower of cost and net realisable value

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 The land and buildings at Outwood Grange which are occupied under a long lease (125 years) are brought into the balance sheet and depreciated

Taxation

The Trust is a registered charity and as such is exempt from income tax and corporation tax under the provisions of the Income and Corporation Taxes Act 1988 The cost of irrecoverable VAT incurred by the Trust has been included in the statement of financial activities

Pensions

Trust Staff are members of one of three defined benefit schemes More details of the scheme are given in note 21

Teachers' Pension Scheme

Full-time and part-time teaching staff employed under a contract of service are eligible to contribute to the Teachers' Pension Scheme (TPS) The TPS, a statutory , contributory, final salary scheme is administered by Capita Teachers' Pensions on behalf of the DfE As the Trust is unable to identify its share of the underlying (notional) assets and liabilities of the scheme, the Trust has taken advantage of the exemption in Financial Reporting Standard (FRS) 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme The pension costs for the scheme represent the contributions payable by the Trust in the year

Local Government Pension Scheme (two schemes, one for each site, Outwood and Adwick)

Non-teaching members of staff are offered membership of the Local Government Pension Scheme (LGPS) The LGPS is a defined benefit pension scheme and is able to identify the Trust's share of assets and liabilities and the requirements of FRS 17, Retirement Benefits, have been followed

The Trust's share of the LGPS assets is measured at fair value at each balance sheet date Liabilities are measured on an actuarial basis using the projected unit method The net of these two figures is recognised as an asset or liability on the balance sheet Any movement in the asset or liability between balance sheet dates is reflected in the statement of financial activities

1. GENERAL ANNUAL GRANT (GAG)

	Outwood Grange 2011 £000	Outwood Grange 2010 £000
Results and Carry Forward for the Year		
GAG brought forward from previous year (adjusted for 2010 FRS17 adjustment of £108,000)	1,667	-
GAG allocation for current year	11,332	11,189
Total GAG available to spend	**12,999**	**11,189**
Recurrent expenditure from GAG	(7,766)	(7,933)
Fixed assets purchased from GAG	(1,932)	(1,481)
GAG carried forward to next year	**3,301**	**1,775**
Maximum permitted GAG carry forward at end of current year (12% of allocation for current year)	(1,360)	(1,342)
GAG carry forward agreed with YPLA	**(3,301)**	**(2,204)**
GAG to surrender to DfE	**-**	**(429)**
(12% rule breached if result is positive)		
(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	7,766	7,933
GAG allocation for current year	(11,332)	(11,189)
GAG allocation for previous year x 2%	(224)	-
GAG b/fwd from previous year in excess of 2%, used on recurrent expenditure in current year	(3,890)	(3,256)
(2% rule breached if result is positive) No breaches – see note below		

	Adwick 2011 £000	Adwick 2010 £000
Results and Carry Forward for the Year		
GAG brought forward from previous year (adjusted for 2010 FRS17 adjustment of £50,000)	1,370	-
GAG allocation for current year	6,552	6,666
Total GAG available to spend	**7,922**	**6,666**
Recurrent expenditure from GAG	(5,124)	(5,183)
Fixed assets purchased from GAG	(380)	(63)
GAG carried forward to next year	**2,418**	**1,420**
Maximum permitted GAG carry forward at end of current year (12% of allocation for current year)	(786)	(800)
GAG carry forward agreed with YPLA	**(2,418)**	**(1,420)**
GAG to surrender to DfE	**-**	**-**
(12% rule breached if result is positive)		
(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	5,124	5,183
GAG allocation for current year	(6,552)	(6,666)
GAG allocation for previous year x 2%	(133)	-
GAG b/fwd from previous year in excess of 2%, used on recurrent expenditure in current year	(1,561)	(1,483)
(2% rule breached if result is positive)		
No breaches – see note below		

Under DfE guidelines, each Academy is allowed to carry forward up to 12% of the General Annual Grant (GAG) received in the year However, following discussions with the Young Peoples Learning Agency regarding the planned capital investment at Outwood Grange over the next five years they have given permission for all surpluses to be carried forward for the current year and up to 2014/15 (for both Outwood Grange and Adwick) This agreement is conditional upon the monitoring of the five year plans for the two sites and the progression of the capital works planned

2. VOLUNTARY INCOME

	2011 £000	2010 £000
Donation of surplus from WMDC (monies received to date)	-	1,800
Donation of assets from WMDC	-	16,981
Donation of assets from DMBC	-	138
Donations from related companies	264	-
	264	**18,919**

3. ACTIVITIES FOR GENERATING FUNDS

	2011 £000	2010 £000
Capital contribution	-	32
External fees	293	906
Catering	525	500
Hire of facilities	14	30
Other	293	63
	1,125	**1,531**

4. FUNDING FOR THE TRUST'S EDUCATIONAL OPERATIONS

Department for Education grants	Outwood Grange £000	Adwick £000	2011 Total £000	2010 Total £000
General Annual Grant (GAG)	11,332	6,552	17,884	17,855
Start Up	554	340	894	1,619
Capital Grants	577	74	651	612
Standards Fund	225	301	526	502
	12,688	**7,267**	**19,955**	**20,588**
Other Government Grants				
Local Authority	643	-	643	686
Other	695	365	1,060	557
	1,338	**365**	**1,703**	**1,243**
	14,026	**7,632**	**21,658**	**21,831**

5. RESOURCES EXPENDED

The comparative figures in notes 5 and 6 have been restated to reflect an improved method of allocation across the cost centres

	Staff Costs £000	Depreciation £000	Other costs £000	2011 Total £000	2010 Total £000
Academy's educational operations					
Direct costs	9,928	576	1,480	11,984	11,798
Allocated support costs	3,431	11	2,175	5,617	6,327
	13,359	**587**	**3,655**	**17,601**	**18,125**
Governance costs	-	-	37	37	65
	13,359	**587**	**3,692**	**17,638**	**18,190**

6. CHARITABLE ACTIVITIES – TRUST'S EDUCATIONAL OPERATIONS

	2011 £000	2010 £000
DIRECT COSTS		
Teaching and educational support staff costs	9,928	9,857
Depreciation	576	450
Books, apparatus and stationery	491	609
Examination fees	465	577
Staff Development	34	38
External fees	451	220
Other direct costs	39	47
	11,984	**11,798**
ALLOCATED SUPPORT COSTS		
Support staff costs	3,431	3,252
Depreciation	11	9
Pupil recruitment and support	193	131
Maintenance of premises and equipment	364	472
Cleaning	69	49
Rent and rates	41	30
Heat and light	291	405
Insurance	110	208
Security and transport	106	55
Catering	443	404
Technology costs	298	309
Bank interest and charges	9	8
Loss on disposal of fixed assets	-	759
Other support costs	251	236
	5,617	**6,327**
	17,601	**18,125**

7. GOVERNANCE COSTS

	2011 £000	2010 £000
Legal and Professional Fees	27	50
Audit Fees	10	10
Governors reimbursed expenses	-	5
	37	**65**

AUDITORS' REMUNERATION (costs split between governance costs and educational operation costs)

Fees paid to the Trust's auditors include £10,000 in respect of the audit of the financial statements, £10,000 in respect of assistance with accounting matters, £10,000 in respect of Responsible Officer Services, and £17,000 in respect of advisory and governance related matters

8. STAFF COSTS

The average number of persons (including senior management team) employed by the Trust during the year ended 31 August 2011 expressed as full time equivalents was as follows

	2011 £000	2010 £000
Charitable Activities		
Teachers	197	186
Administration and support	173	173
Governance Activities	-	-
Total Employees	**370**	**359**
Staff costs comprise	£000	£000
Wages and salaries	11,293	11,283
Social security costs	753	682
Pension contributions	1,313	1,115
Total costs	**13,359**	**13,080**

8 (2010 – 8) employees earned more than £60,000 per annum (including taxable benefits but excluding employers' pension contributions) during the year ended 31 August 2011 The total emoluments of these employees were in the following ranges

	2011 Number	2010 Number
£60,001 - £70,000	2	3
£70,001 - £80,000	-	1
£80,001 - £90,000	2	-
£90,001 - £100,000	1	2
£100,001 - £110,000	2	1
£180,001 - £190,000	1	1

All of the above employees earning more than £60,000 per annum participated in the Teachers' Pension Scheme During the year ended 31 August 2011, pension contributions for these staff amounted to £109,687 (2010 - £104,594)

9. DIRECTORS' REMUNERATION AND EXPENSES

	2011 £000	2010 £000
Remuneration for teaching services	182	182
Contributions to the teachers' pension scheme	26	26
	208	**208**

Emoluments above include the following amounts paid to the highest paid director

	2011 £000	2010 £000
Remuneration for teaching services	182	182
Contributions to the teachers' pension scheme	26	26
	208	**208**

During the year ended 31 August 2011, travel and subsistence expenses totalling £nil (2010 - £42) were reimbursed to no (2010 – 1) Directors for their services as a Director

10. DIRECTORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Trust has purchased insurance to protect Directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2011 was £2,000 (2010 - £2,000)

11. TANGIBLE FIXED ASSETS

Cost	Long leasehold land & buildings £000	Furniture & Equipment £000	Computer Equipment & Software £000	Assets under construction £000	Total £000
At 1 September 2010	16,733	569	670	280	18,252
Additions	-	470	317	2,420	3,207
Disposals	-	-	-	-	-
Transfers	86	-	-	(86)	-
At 31 August 2011	16,819	1,039	987	2,614	21,459
Depreciation					
At 1 September 2010	292	35	108	-	435
Charged in year	295	74	218	-	587
Disposals	-	-	-	-	-
At 31 August 2011	587	109	326	-	1,022
Net book values					
At 31 August 2011	16,232	930	661	2,614	20,437
At 31 August 2010	16,441	534	562	280	17,817

12. INVESTMENTS

	Value at 1 September 2010 £'000	Additions £'000	Disposals £'000	Value at 31 August 2011 £'000
Natwest fixed rate bond	-	2,000	-	2,000
	-	2,000	-	2,000

13. STOCK

	2011 £000	2010 £000
Stationery	9	6
	9	**6**

14. DEBTORS

	2011 £000	2010 £000
Trade debtors	51	219
Prepayments	644	102
Sundry debtors	644	10
	1,339	**331**

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £000	2010 £000
Trade creditors	811	508
Sundry creditors	186	125
Taxation and social security	317	267
Accruals	475	1,070
	1,789	**1,970**

16. RESTRICTED FUNDS

	Balance at 31 August 2010 £000	Incoming Resources £000	Resources Expended £000	Gains, losses and transfers £000	Balance at 31 August 2011 £000
Restricted general funds					
General Annual Grant (GAG) adjusted for impact of defined benefit adjustment	3,037	17,884	(12,890)	(2,312)	5,719
Start Up Grant	661	894	(860)	-	695
Other Grants	164	2,229	(2,257)	-	136
School Sports Partnership	66	-	(66)	-	-
Defined benefit pension scheme	(1,844)	-	(235)	839	(1,240)
	2,084	**21,007**	**(16,308)**	**(1,473)**	**5,310**
Restricted fixed asset funds					
DfE capital grants	612	651	-	-	1,263
Capital expenditure from GAG	1,398	-	(178)	2,312	3,532
Sponsorship	16,048	-	(409)	-	15,639
Private sector capital	32	-	-	-	32
	18,090	**651**	**(587)**	**2,312**	**20,466**
	20,174	21,658	(16,895)	839	25,776

Notes

(i) General Annual Grant (GAG) must be used for the normal running costs of the academies Each Academy is allowed to carry forward up to 12% of the General Annual Grant (GAG) received in the year However, following discussions with the YPLA regarding the planned capital investment by the Trust over the next five years they have given permission for OGAT to carry forward surpluses from the Outwood and Adwick sites in excess of 12% for 2010/11 and up to and including the academic year 2014/15

(ii) Start up grant is intended to cover expenditure on acquiring teaching and learning materials and to cover problems regarding economies of scale

(iii) Other government grants include standards fund grant, implementation grant and grants received via other bodies

(iv) The gross transfer from the restricted general fund to the restricted fixed asset fund represents the total capital expenditure funded from the General Annual Grant in the year

(v) Restricted fixed assets were funded by government grants or capital contributions

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £000	Restricted general funds £000	Restricted fixed asset funds (Public) £000	Total £000
Tangible fixed assets	-	-	20,437	**20,437**
Investments	-	2,000	-	**2,000**
Current assets	2,561	6,145	130	**8,836**
Current liabilities	-	(1,595)	(101)	**(1,696)**
Defined benefit pensions liability	-	(1,240)	-	**(1,240)**
	2,561	5,310	20,466	**28,337**

18. CAPITAL COMMITMENTS

	2011 £000	2010 £000
Contracted for but not provided in the financial statements	621	2,080
Authorised by Directors but not yet contracted	1,092	1,575

The above capital commitments will be met from accumulated surpluses

19 LEASE COMMITMENTS

At 31 August 2011 the Trust was committed to making the following annual payments under non-cancellable operating leases, which relate to assets other than land and buildings

Operating leases which expire	2011 £000	2010 £000
Within one year	5	8
Between two and five years	19	32
Over five years	6	7

20. CONTINGENT LIABILITIES

During the period of the Funding Agreements, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Trust is required either to reinvest 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 Agreements, whether as a result of the Secretary of State or the Trust serving notice, the Trust shall repay to the Secretary of State sums determined by reference to

a) The value at the time of the Trust's site and premises and other assets held for the purpose of the Trust 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

21 PENSION COMMITMENTS

The Trust's employees belong to one of two pension schemes the Teacher's Pension Scheme England and Wales (TPS) for academic and related staff, the Local Government Pension Scheme (LGPS) for non-teaching staff, which are managed by the West Yorkshire Pension Scheme for Outwood Grange ("WYPF") and the South Yorkshire Pension Fund for Adwick ("SYPF")

The total pension payments made by the Trust during the year ended 31 August 2011 was £1,312,460 (2010 - £1,275,150) of which £956,476 (2010 - £928,983) relates to the TPS, and £355,984 (2010 - £346,167) relates to the LGPS

Teachers' Pension Scheme (TPS)

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 pension 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	31 March 2004
Actuarial method	Prospective benefits
Investment returns per annum	6 5 % per annum
Salary scale increases per annum	5 0% 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% 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 Trust is unable to identify its share of the underlying asets and liabilities of the scheme

Accordingly the Trust has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined-contribution scheme The Trust has set out above the information available on the scheme and the implications for the Trust in terms of the anticipated contribution rates

The pension cost charged in the financial statements for this scheme for the year ended 31 August 2011 was £956,476 (2010 - £928,983) which were contributions due for the year

Local Government Pension Scheme

The Trust is one of several employing bodies included within the Local Government Pension Scheme (LGPS)

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee administered funds Contributions to the scheme are determined by a qualified actuary on the basis of triennial valuations using the projected unit method

The following information is based upon a full actuarial valuation of the fund at 31 March 2007, updated to 31 August 2011 by a qualified independent actuary

The estimated value of the contributions for the year ended 31 August 2012 is as follows

WYPF - £0 25m

SYPF - 12 2% of pensionable pay less £18,900

- **Principal financial assumptions (% per annum)**

WYPF	31 August 2011	31 August 2010
Rate of increase in salaries	5 1	5 15
Rate of increase to pensions in payment	2 7	2 7
Discount rate for liabilities	5 4	4 9
inflation assumption (CPI)	2 7	2 7

SYPF	31 August 2011	31 August 2010
Rate of increase in salaries	4 45	4 5
Rate of increase in pensions	2 7	2 5
Discount rate for liabilities	5 3	4 9
CPI inflation	2 7	2 5

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

WYPF	31 August 2011 Years	31 August 2010 Years
Retiring today - Males	21 9	21 8
Retiring today - Females	24 0	25 4
Retiring in 20 years Males	23 7	24 1
Retiring in 20 years Females	26 0	27 9

SYPF	31 August 2011 Years	31 August 2010 Years
Retiring today - Males	21 4	20 4
Retiring today - Females	24 1	23 2
Retiring in 20 years - Males	22 8	21 3
Retiring in 20 years - Females	25 7	24 1

- **The Trusts share of the assets and liabilities in the scheme and expected rate of return were:**

WYPF	Expected return at 31 August 2011 (% pa)	Fair value at 31 August 2011 £000	Expected return at 31 August 2010 (% pa)	Fair value at 31 August 2010 £000
Equities	7 7	2,002	7 7	1,543
Property	7 2	99	7 2	87
Government Bonds	3 7	318	3 7	291
Corporate Bonds	4 8	109	4 3	55
Cash	1 6	58	1 4	86
Other	7 7	153	7 7	145
Total market value of assets		**2,739**		**2,207**
Present value of scheme liabilities • funded		**4,078**		**3,685**
Surplus (deficit) in the scheme		**(1,339)**		**(1,478)**

SYPF	Expected rate of return at 31 August 2011 (% pa)	Fair value at 31 August 2011 £	Expected rate of return at 31 August 2010 (% pa)	Fair value at 31 August 2010 £000
Equities	7	1,388	7	1,045
Property	6	210	6	161
Government Bonds	3 7	334	3 7	220
Corporate Bonds	4 8	154	4 5	147
Cash	0 5	53	0 5	24
Other	n/a	0	n/a	0
Total market value of assets		**2,139**		**1,597**
Present value of scheme liabilities • funded		**2,040**		**1,963**
Surplus (deficit) in the scheme		**99**		**(366)**

None of the fair values of the assets shown above include any of the Trust's own financial instruments or any property occupied by, or other assets used by, the Trust

The expected return on assets is based on the long term future expected investment return for each asset class as at the beginning of the period (ie as at 1 September 2010 for the year to end 31 August 2011) The return on gilts and other bonds are assumed to be the gilt yield and

corporate bond yield (with an adjustment to reflect default risk) respectively at the relevant date The return on equities and property is then assumed to be a margin above gilt yields

The actual return on the schemes assets in the year was

- WYPF £245,000 (2010 £158,000)
- SYPF £135,000 (2010 £214,000)

- **Amounts recognised in the Statement of Financial Activities**

WYPF

	2011 £000	**2010 £000**
Current service cost	360 0	368 0
Past service cost	-	(307 0)
Total Operating Charge	**360.0**	**61.0**
Analysis of pension finance income / (costs)		
Expected return on pension scheme assets	(155 0)	(122 0)
Interest on pension liabilities	191 0	179 0
Pension finance income	**36.0**	**57.0**

SYPF

	2011 £000	**2010 £000**
Current service cost	188 0	163 0
Past service cost	-	(120 0)
Total Operating Charge	**188.0**	**43 0**
Analysis of pension finance income / (costs)		
Expected return on pension scheme assets	(99 0)	(84 0)
Interest on pension liabilities	102 0	98 0
Pension finance income / (costs)	**3.0**	**14.0**

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 Trust was formed is a £199,000 gain (2010 £285,000 loss)

- **Reconciliation of funded status to balance sheet**

WYPF	Value as at 31 August 2011 £000	Value as at 1 September 2010 £000
Notional value of assets	2,739 0	2,207 0
Present value of liabilities	4,078 0	3,685 0
Net pension asset / (liability)	(1,339 0)	(1,478 0)

SYPF	Value as at 31 August 2011 £000	Value as at 1 September 2010 £000
Notional value of assets	2,139 0	1,597 0
Present value of liabilities	2,040 0	1,963 0
Net pension asset / (liability)	99 0	(366 0)

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

WYPF

	2011 £000	2010 £000
At 1 September	**3,685 0**	**3,098.0**
Current service cost	360 0	368 0
Interest cost	191 0	179 0
Employee contributions	98 0	91 0
Actuarial (gain) / loss	(213 0)	158 0
Benefits paid	(43 0)	98 0
Past Service cost	-	(307 0)
Curtailments and settlements	-	-
At 31 August	**4,078.0**	**3,685.0**

SYPF

	2011 £000	2010 £000
At 1 September	**1,963.0**	**1,643.0**
Current service cost	188 0	163 0
Interest cost	102 0	98 0
Employee contributions	58 0	52 0
Actuarial (gain) / loss	(271 0)	127 0
Benefits paid	-	-
Past Service cost	-	(120 0)
Curtailments and settlements	-	-
At 31 August	**2,040.0**	**1,963.0**

- **Movements in the fair value of Trust's share of scheme assets**

WYPF	2011	2010
At 1 September	**2,207**	**1,634**
Expected return on assets	155 0	122 0
Actuarial gain/(loss)	90 0	36 0
Employer contributions	232 0	226 0
Employee contributions	98 0	91 0
Benefits paid	(43 0)	98 0
At 31 August	**2,739**	**2,207**

SYPF	2011	2010
At 1 September	**1,597**	**1,289**
Expected return on assets	99 0	84 0
Actuarial gain/(loss)	265 0	65 0
Employer contributions	120 0	107 0
Employee contributions	58 0	52 0
Benefits paid	0	0
At 31 August	**2,139**	**1,597**

- The three-year history of experience adjustments is as follows

WYPF	2011 £000	2010 £000	2009 £000
Present value of defined benefit obligations	(4,078)	(3,685)	(3,098)
Fair value of scheme assets	2,739	2,207	1,634
(Deficit) in the scheme	**(1,339)**	**(1,478)**	**(1,464)**

SYPF	2011 £000	2010 £000	2009 £000
Present value of defined benefit obligations	(2,040)	(1,963)	(1,643)
Fair value of scheme assets	2,139	1,597	1,289
Surplus / (Deficit) in the scheme	**99**	**(366)**	**(354)**

- Experience adjustments on share of scheme assets

	2011 £000	2010 £000
WYPF	90	36
SYPF	265	65

- Experience adjustments on scheme liabilities

	2011 £000	2010 £000
WYPF	336	-
SYPF	33	-

It must be appreciated in accordance with the Charity Commission publication 'Charity Reserves and Defined Pension Schemes' that where, under FRS 17, a charity discloses a significant pension fund deficit, this does not mean that an immediate liability for this amount crystallises Similarly, where a pension surplus is disclosed this does not create an immediately realisable asset that can be released straight away and expended on the purposes of the charity In particular, the disclosure of a pension liability does not mean that equivalent amount is already committed and is no longer available to the trustees to further the charity's objectives

22. MEMBERS' LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/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

23. RELATED PARTY TRANSACTIONS

During the year the Trust made the following recharges to Outwood Grange Consultancy Company Limited, a company with a number of Directors in common

Recharges of teaching salaries - £179,000 (2010 - £543,000), recharges of support costs - £26,000 (2010 - £41,000) At the year end a balance of £83,000 (2010 - £208,000) was due from Outwood Grange Consultancy Company, which is included in year end debtors

During the year Outwood Grange Consultancy Company made a donation of £262,591 to the Trust (2010 - £nil)

During the year the Trust made the following recharges to Outwood Sports and Leisure Company Limited, a company with a number of Directors in common

Recharges of support costs – £9,000 (2010 - £1,400) At the year end a balance of £6,636 (2010 - £nil) was due from Outwood Grange Sports and Leisure Company Limited

During the year Outwood Grange Sports and Leisure Company made a donation of £1,858 to the Trust (2010 - £nil)

24. POST BALANCE SHEET EVENTS

In line with the Trust's plans for expansion, on 1 September 2011 a third school (Ripon) was brought into the Trust following its conversion to Academy status It is expected that further schools will be brought into the Trust following their conversion to Academy status in the current financial year

On 11 November 2011 Outwood Grange Services Limited (a company limited by shares and a fully owned subsidiary of the Trust) was incorporated This company has not yet traded