

Company Registration Number 6995649 (England and Wales)

OUTWOOD GRANGE ACADEMIES TRUST

(A Company Limited by Guarantee)

ANNUAL REPORT

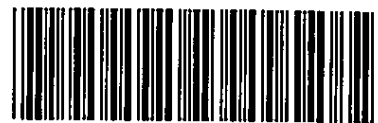
AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2012

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OUTWOOD GRANGE ACADEMIES TRUST

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OUTWOOD GRANGE ACADEMIES TRUST

REFERENCE AND ADMINISTRATIVE INFORMATION

Directors (who are also Trustees)	J Walkden (Chair until 21/06/12) (Resigned 22/08/12) M Wilkins D Beech (Resigned 19/01/12) R Harden (Chair from 21/06/12) P Watson (Resigned 07/09/12) D Earnshaw (Appointed 18/10/11) S Harness (Appointed 21/05/12)
Company Secretary	C L Jones (Resigned 01/02/12) K Williams (Appointed 02/02/12)
Senior staff	Chief Executive and Academy Principal – M Wilkins Executive Principals – J Slater/P Tarn Associate Executive Principal – R Tarn Director of Finance – J Beevers
Principal/Registered Office	Potovens Lane Outwood Wakefield West Yorkshire WF1 2PF
Company Registration Number	6995649 (England and Wales)
Independent Auditor	Saffery Champness Mitre House North Park Road Harrogate North Yorkshire HG1 5RX
Bankers	HSBC 66 Westgate Wakefield West Yorkshire WF1 1XB Lloyds TSB 14 Church Street Sheffield South Yorkshire S1 1HP

OUTWOOD GRANGE ACADEMIES TRUST

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST AUGUST 2012

INTRODUCTION

The Directors have pleasure in presenting their report and audited financial statements of the charitable company for the year ended 31 August 2012

The financial statements have been prepared in accordance with the accounting policies on pages 24 to 27 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 and an exempt charity. The Charitable Company's memorandum and articles of association (as amended on 18 August 2012) are the primary governing documents of the academy trust.

The directors act as the trustees for the charitable activities of Outwood Grange Academies Trust Limited and are also directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Outwood Grange Academies Trust.

Details of the directors who served throughout the year except as noted are included in the Reference and Administrative Details on page 1.

Members' Liability

Each member of the Charitable Company undertakes to contribute to the assets of the Charitable Company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before they ceased to be a member.

Principal Activities

The principal activities of the charitable company are to establish and maintain a number of academies in accordance with the requirements of the Master Funding Agreement.

Method of Recruitment and Appointment of directors

The number of Directors of the company shall not be less than 3 but (unless determined by ordinary resolution) shall not be subject to any maximum. The articles of association set out the categories of directors and this includes the following:

- The Principal Sponsor (Outwood Grange Education)
- The Chief Executive
- Up to eight Sponsor Directors
- Parent Directors (elected by parent members of the Academy Councils)
- One Director appointed by the Secretary of State in the event that such a director is required
- Any additional Directors appointed by the Secretary of State
- Any further Directors appointed by the Secretary of State
- Up to two Directors, if appointed by the Secretary of State in accordance with the terms of any relevant funding agreements following the provision of a notice by the Company to terminate that relevant funding agreement
- The Principal Sponsor may appoint up to three co-opted Directors

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REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST AUGUST 2012

- The number of Directors who are employees of the Company shall not exceed one third of the total number of Directors including the Chief Executive
- The Principal Sponsor shall appoint the Sponsor Directors and may appoint co-opted Directors

Policies and procedures adopted for the induction and training of directors

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 all the 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.

Organisational Structure

The management structure consists of four levels: the Board of Directors, the Academy Councils, the Executive Team 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 Outwood Grange Academies Trust (OGAT) Board.

The executive and senior leaders are: Chief Executive, Executive Principals, Associate Executive Principal, Principals, Associate Principal, Vice Principals, Associate Vice Principals, Assistant Principals, Associate Assistant Principals, Director of Business Services, Director of Executive Services, Director of Human Resources, Director of Teaching 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 Executive 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.

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REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST AUGUST 2012

Connected Organisations, including Related Party Relationships

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 - £nil (2011 - £179,000), recharges of support costs - £nil (2011 - £26,000) At the year-end a balance of £213,712 (2011 - £83,000) was due from Outwood Grange Consultancy Company, which is included in year-end debtors This donation was the final distribution of Outwood Grange Consultancy Company's assets and this company has now been liquidated

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 - £44,231 (2011 - £9,000) At the year-end a balance of £17,528 (2011 - £6,636) was due from Outwood Grange Sports and Leisure Company Limited

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

- Recharge of support costs £38,364 (2011 - £nil) At the year-end a balance of £11,273 (2011 - £nil) was due from Outwood Grange Services Limited

During the year Outwood Grange Sports and Leisure Company made a donation of £3,983 to the Trust (2011 - £1,858)

A donation of £819,000 was received from Outwood Grange School Fund Charity This donation is restricted for the specific purpose of the development of the Outwood Grange Academy buildings and site to provide students with improved facilities

During the year the Trust paid legal fees of £33,685 on behalf of J Walkden, the former chairman Permission from the Charities Commission was obtained prior to this being paid

Prior to them being appointed as directors, S Harness and D Earnshaw were paid £35,027 and £39,304 respectively, on fixed term contracts, vetted and approved by the DfE, for project management work on conversion of two schools to academies This employment ceased prior to their commencement as directors

There were school funds at the former Ripon, Portland and Valley schools which became under common control following the date of conversion to academy status These have not been consolidated as they are not material and there have been no transactions between the Trust and the school funds

Charitable Donations

During the year the Trust made charitable donations of £6,675 The details are set out below

- £4,200 towards the cost of a rugby tour to Australia by 6 students at Outwood Grange Academy
- £1,250 to Martin House Hospice This related to a contribution towards the cost of entering a national band competition with all monies going to Martin House Hospice
- £1,000 to VESA (Volunteer Eco Students Abroad) The donation was towards the cost of two students who were doing volunteer work for VESA in a Fijian village
- £200 to The Cross Project towards the cost of mentoring support to students
- £25 to the Association of School and College Leaders as a contribution towards the development of a self-evaluation tool

OUTWOOD GRANGE ACADEMIES TRUST

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST AUGUST 2012

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 2012 are summarised in the table below which also shows performance against the objectives.

Objective	Performance
To ensure that every child enjoys the same high quality in terms of resourcing, tuition and care	All OGAT academies were inspected under the Ofsted framework in the 2011/12 academic year, as follows <ul style="list-style-type: none">• Outwood Grange – Outstanding• Adwick – Satisfactory• Portland – Satisfactory (from Special Measures)• Ripon – Good• Valley – Good (from Notice to Improve) Every academy saw an increase in their GCSE results at A*-C including English and maths
To raise the standard of educational achievements of all pupils	See results table below
To improve the effectiveness of the Trust by keeping the curriculum and organisational structure under continual review	The Trust has reviewed its structure in a number of key areas to address changing organisational need, including Business Services, Finance, Executive Principals, ensuring that the organisations' structure is scalable as the organisation grows and that capacity can be created in advance of need
To provide value for money for the funds expended	The EFA supported the Trust's self-assessment of its financial management and governance as 'Good'. In addition the DfE issued Academy Spend Tables for 2010/11 containing information on income and expenditure and showing spend per pupil data. This shows that OGAT has the lowest spend per pupil of all the academy trusts.
To comply with all appropriate statutory and curriculum requirements	All OGAT academies were inspected by Ofsted during the academic year and were meeting all curriculum requirements. The EFA supported the Trust's self-assessment of its financial management and governance as 'Good'.
To maintain close links with industry and commerce	The Trust has undertaken exploration with a number of industry leaders to discuss the role of academies in producing an effective and highly skilled workforce. The discussions are continuing to look at the

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REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST AUGUST 2012

	development of high quality apprenticeships covering a wide range of industry sectors
To conduct the Trust's business in accordance with the highest standards of integrity, probity and openness	The EFA supported the Trust's self-assessment of its financial management and governance as 'Good'

The objectives and aims for 2012/13 are set out below

- To progress on the journey towards all OGAT academies being recognised as 'Outstanding' by Ofsted
- To ensure that all academies achieve Rank 10 for 5 A*- C GCSEs including English and Maths
- To make strides towards a self-assessment of financial management and governance of 'Outstanding'
- To positively influence the lives and achievement of more young people through the measured and steady growth of the Trust, bringing more academies into the Family of Schools
- To ensure that every academy is able to generate a positive financial outturn at the end of each financial year through efficient and effective curriculum-led financial planning

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, Doncaster, Ripon and Worksop 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, Adwick, Ripon and Worksop. 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.

Employees and 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

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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.

The Trust works with employee trade unions and professional associations across all our academies and engages in consultation, as required, to ensure that all aspects of the company affecting its employees, including financial and economic factor, is discussed, conveyed and consulted on with them.

Public Benefit

In exercising its powers and duties the Trust has complied with its duty to have due regard to 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 has been a National Training School for 8 years and has now been accredited as a National Teaching School. The academy's performance is significantly above average in relation to all of the national floor standards for students' attainment and progress.

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

In February 2012 an Ofsted inspection took place and the judgement was that the academy was Outstanding in all categories. A summary of the key findings is set out below.

- Outwood Grange provides an outstanding quality of education
- Students' achievement is outstanding. All groups of students make progress at a better than expected rate and attain very high standards by the end of Key Stage 4
- The sixth form is outstanding
- The overwhelming majority of students are successful in going on to education, employment or training after they leave the academy
- Outstanding teaching is at the root of students' excellent achievement
- The drive for the academy's success comes from the outstanding work of its leaders

- **Outwood Academy Adwick**

Outwood Academy Adwick has twin specialisms in sport and science.

In February 2012 an Ofsted inspection took place and the judgement was that the academy was Satisfactory in all aspects. A summary of the key findings is set out below.

- Achievement in the core subjects is showing signs of improvement despite being below the national average. Improvements in both English and Maths are evident in the progress made by different groups of students
- Relationships between students and adults are generally positive and the vertical tutor groups contribute well to their social awareness. Attendance is improving
- The sixth form is satisfactory because students have a positive view of education and they have high aspirations

- **Outwood Academy Ripon**

Outwood Academy Ripon holds specialist status in technology.

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In March 2012 an Ofsted inspection took place and the judgement was that the academy was Good in all aspects. A summary of the key findings is set out below:

- This is a good academy with a good sixth form
- All groups of students make good progress and achieve well in both English and Maths
- The quality of teaching is improving apace and is good with examples of outstanding practice. The academy is always striving to improve teaching and learning further and to increase the percentage of outstanding lessons
- Students behave well and are generally fully engaged during lessons
- Leadership and management are good

• Outwood Academy Portland

OGAT started working with the Portland Comprehensive School in the summer of 2011 and it has been running the school, in agreement with the local authority and governing body, since September 2011. The school became an academy on June 1 2012.

At its previous Ofsted inspection in 2010, the school was judged to require special measures.

In March 2012 a further Ofsted inspection took place and overall the school was judged as Satisfactory in all categories. The key findings are set out below:

- The inspector is of the opinion that the school no longer requires special measures
- Students are now making satisfactory and often good progress in lessons. Extra teaching for students who have fallen behind is effective. Attainment is rising and is in line with national averages
- Teaching is satisfactory overall, but with an increasing proportion of lessons that have good and outstanding features
- Behaviour is sensible, calm and respectful. This marks a considerable improvement since the last inspection
- Leaders at all levels have taken a concerted approach to improving outcomes for students that have had a dramatic effect on standards, behaviour and attendance

• Outwood Academy Valley

OGAT started working with Valley Comprehensive School in the summer of 2011. This followed an Ofsted inspection at which the school was given a Notice to Improve. Since that point the school has undergone significant change in terms of staffing, including at senior management level. The school became an academy on 1 June 2012. In May 2012 an Ofsted inspection took place and overall the school was judged as Good with some Outstanding features. A summary of the key findings is set out below:

- The inspector is of the opinion that the school no longer requires significant improvement. The school has improved significantly over the past year as a result of outstanding leadership and management
- Since the previous inspection students' attainment has risen from below average to above average
- Teaching has improved strongly and is now mainly good with some outstanding practice
- Students' behaviour is consistently outstanding and they have an extremely well-developed awareness of how to stay safe
- The sixth form is good
- Outstanding leadership and management have resulted in the school making rapid progress in a short period of time

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REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST AUGUST 2012

ACHIEVEMENTS AND PERFORMANCE

The Trust is now in its third year of operation and three new academies have joined during the 2011/12 financial year. The total numbers of students in the year ended 31 August 2012 were as follows (2010/11 is shown for comparative purposes)

	2011/12	2010/11
Years 7-11		
Outwood Grange Academy	1,790	1,793
Outwood Academy Adwick	976	1,023
Outwood Academy Ripon	411	451
Outwood Academy Portland	1,201	1,325
Outwood Academy Valley	1,412	1,402
Years 12-13		
Outwood Grange Academy	360	359
Outwood Academy Adwick	159	185
Outwood Academy Ripon	56	55
Outwood Academy Portland	184	182
Outwood Academy Valley	190	197

The headline examination results for the 2011/12 academic year are summarised as follows

	5+ A*-Cs including English & Maths		5+A*-Cs All subjects	
	2012	2011	2012	2011
Outwood Grange Academy	83%	77%	100%	99%
Outwood Academy Adwick	56%	51%	98%	96%
Outwood Academy Portland	57%	41%	95%	83%
Outwood Academy Ripon	65%	48%	95%	83%
Outwood Academy Valley	66%	43%	97%	55%

Attendance

Academy	Attendance Levels %	Unauthorised Absence %
Outwood Grange Academy	94.6	1.1
Outwood Academy Adwick	91.0	4.0
Outwood Academy Ripon	92.6	2.0
Outwood Academy Portland	90.7	3.2
Outwood Academy Valley	92.8	2.7

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

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REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST AUGUST 2012

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 EFA (formerly the YPLA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the year ended 31 August 2012 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Trust also receives grants for fixed assets. 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 2012, total expenditure of £25.4m 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 £1.6m.

At 31 August 2012 the net book value of fixed assets was £26.3m and movements in tangible fixed assets are shown in note 13 to the financial statements. The value of fixed assets includes the assets that had previously been "donated" by Wakefield MDC and Doncaster MBC, together with assets donated in the year by North Yorkshire County Council and Nottinghamshire County Council as part of the transfer agreements as set out below.

- The freehold land and buildings at Ripon are occupied under a 125 year lease from the local authority. Consequently these are included in the balance sheet at a value of £2,912k (in accordance with the EFA valuation) together with fixtures, furniture and equipment valued at £146k.
- At Portland and Valley the land and buildings are occupied under a 125 year lease with the first 25 years being from the PFI Company and consequently the assets have not been included in the balance sheet. The local authority did donate furniture and equipment to the value of £1,309k.

The major items of expenditure on fixed assets during the year were £0.5m on improvements to safeguarding works at Outwood Grange (including the relocation of the reception), and £0.4m at Adwick on the new conference facilities.

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

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

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 £5.4m of unrestricted reserves and £29.2m 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.

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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 EFA regarding the planned capital investment by the Trust over the next three to five years they have given permission for OGAT to carry forward surpluses from the Outwood and Adwick sites in excess of 12% up to and including the academic year 2014/15. This relaxation does not apply to the Ripon, Portland and Valley academies.

Financial position

The Trust held fund balances at 31 August 2012 of £34.6m comprising £35.5m of restricted funds and £5.4m of unrestricted general funds and a pension reserve deficit of £6.3m.

Investment Policy

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.

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

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.

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

APPROVAL

The report of the Board was approved on 19 December 2012 and signed on their behalf by



R Harden
Chairman

OUTWOOD GRANGE ACADEMIES TRUST

GOVERNANCE STATEMENT

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 Accounting Officer is also responsible for reporting to the Trust Board any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the trustees' Report and in the Statement of Trustees' responsibilities. The Trust Board has formally met 13 times during the year. Attendance during the year at meetings of the Trust Board was as follows:

Director	Meetings Attended	Out of a possible
J Walkden	12	13
M Wilkins	12	13
D Beech	2	4
R Harden	10	13
P Watson	11	13
D Earnshaw	9	12
S Harness	2	3

The purpose of the system of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an 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 2012 and up to the date of the annual report and financial statements.

Capacity to handle risk

The trustees have reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trust Board is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that have been in place for the year ending 31 August 2012 and up to the date of the approval of the annual report and financial statements. This process is regularly reviewed by the Trust Board.

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GOVERNANCE STATEMENT

The risk and control framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic 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

OUTWOOD GRANGE ACADEMIES TRUST

GOVERNANCE STATEMENT

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 the academy trust's financial systems. 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 RO function has been fully delivered in line with the EFA's requirements. 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.

However, the requirements in respect of internal audit arrangements have changed with effect from 1 September 2012 and the Directors will put in place new arrangements to comply with those requirements.

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 and the audit performed by the EFA
- The work of the executive team within the academy trust who have responsibility for the development and maintenance of the internal control framework

Approved by order of the members of the Trust Board on 19 December and signed on its behalf by



R Harden

Chair



M Wilkins

Accounting Officer

OUTWOOD GRANGE ACADEMIES TRUST

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Outwood Grange Academies Trust I have considered my responsibility to notify the academy trust board and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the academy trust board are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook.

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

A handwritten signature in black ink, appearing to read 'M Wilkins', with a stylized, cursive script.

Michael Wilkins

Accounting Officer

OUTWOOD GRANGE ACADEMIES TRUST

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 Annual Accounts Requirements issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees 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 trustees are required to

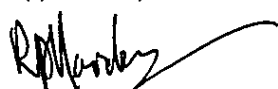
- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material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

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

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

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

Approved by order of the members of the trust board on 1st December and signed on its behalf by



R Harden
Chair

OUTWOOD GRANGE ACADEMIES TRUST

INDEPENDENT AUDITORS REPORT ON THE FINANCIAL STATEMENTS TO THE TRUST BOARD OF OUTWOOD GRANGE ACADEMIES TRUST LIMITED

We have audited the financial statements on pages 20 to 61. 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 2012 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 2011/12 issued by the EFA, and
- have been prepared in accordance with the Companies Act 2006.

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.

OUTWOOD GRANGE ACADEMIES TRUST

INDEPENDENT AUDITORS REPORT ON THE FINANCIAL STATEMENTS TO THE TRUST BOARD OF OUTWOOD GRANGE ACADEMIES TRUST LIMITED

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

Saffery Champness

Cara Turlington (Senior Statutory Auditor)

For and on behalf of

Saffery Champness

Chartered Accountants

Statutory Auditors

Harrogate Office

Mitre House

North Park Road

Harrogate

HG1 5RX

21 December 2012

Independent Auditor's Report on Regularity to the Trust Board of Outwood Grange Academies Trust Limited and the Education Funding Agency

In accordance with the terms of our engagement letter dated 5 December 2012 and further to the requirements of the EFA, we have carried out a review to obtain assurance about whether, in all material aspects, the expenditure disbursed and income received by the academy trust during the period 1 September 2011 to 31 August 2012 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them

This report is made solely to the trust board and the EFA. Our review work has been undertaken so that we might state to the trust board and the EFA those matters we are required to state to it in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the trust board and EFA, for our review work, for this report, or for the opinion we have formed

Respective responsibilities of the trust board and auditors

The trust board is responsible, under the requirements of the Academies Act 2010, subsequent legislation and related regulations, for ensuring that expenditure disbursed and income received are applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them

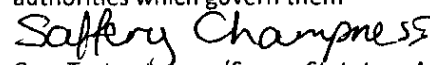
Our responsibilities for this review are established in the UK by our profession's ethical guidance and the audit guidance set out in the EFA's Financial Handbook and Accounts Direction. We report to you whether, in our opinion, anything has come to our attention in carrying out our review which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2011 to 31 August 2012 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them

Basis of opinion

We conducted our review in accordance with the Academies Financial Handbook and the Accounts Direction issued by the EFA

Opinion

In the course of our work, nothing has come to our attention which suggests that in all material aspects the expenditure disbursed and income received during the period 1 September 2011 to 31 August 2012 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them


Cara Turtlington (Senior Statutory Auditor)

For and on behalf of

Saffery Champness

Chartered Accountants

Statutory Auditors

Harrogate Office

Mitre House

North Park Road

Harrogate

HG1 5RX

21 December 2012

OUTWOOD GRANGE ACADEMIES TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST AUGUST 2012 (Including Income and Expenditure Account)

	Note	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2012	Total 2011
		£000	£000	£000	£000	£000
Incoming resources						
Incoming resources from generated funds						
Voluntary Income	3	2,830	(2,926)	4,368	4,272	264
Activities for Generating Funds	4	183	-	-	183	584
Investment Income	5	115	-	-	115	16
Incoming resources from charitable activities						
Funding for the Trust's educational operations	6	596	27,382	249	28,227	22,183
Total Incoming Resources		3,724	24,456	4,617	32,797	23,047
Resources expended	7					
Charitable Activities						
Trust's educational operations	8	670	23,577	1,098	25,345	17,601
Governance costs	9	-	52	-	52	37
Total resources expended		670	23,629	1,098	25,397	17,638
Net incoming resources before transfers		3,054	827	3,519	7,400	5,409
Gross transfer between funds	18	(205)	(2,078)	2,283	-	-
Net income/(expenditure) for the year		2,849	(1,251)	5,802	7,400	5,409
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension schemes	28	-	(1,095)	-	(1,095)	839
Net movement in funds		2,849	(2,346)	5,802	6,305	6,248
Funds brought forward at 1 September 2011		2,561	5,310	20,466	28,337	22,089
Funds carried forward at 31 August 2012		5,410	2,964	26,268	34,642	28,337

OUTWOOD GRANGE ACADEMIES TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST AUGUST 2012 (Including Income and Expenditure Account)

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

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

OUTWOOD GRANGE ACADEMIES TRUST

BALANCE SHEET AS AT 31 AUGUST 2012

Company Registration No. 6995649

		2012 £000	2012 £000	2011 £000	2011 £000
Fixed Assets	Note				
Tangible Assets	13		26,267		20,437
Investments	14		-		2,000
			26,267		22,437
Current Assets					
Stock	15	8		9	
Debtors	16	4,236		1,339	
Cash at bank and in hand		12,804		7,581	
		17,048		8,929	
Current Liabilities					
Creditors - Amounts falling due within one year	17	(2,361)		(1,789)	
Net current assets			14,687		7,140
Total assets less current liabilities			40,954		29,577
Net assets excluding defined benefit pension scheme liability			40,954		29,577
Defined benefit pension scheme liability	28		(6,312)		(1,240)
Net assets including defined benefit pension liability			34,642		28,337
Funds of the Trust					
Restricted Income funds					
Fixed asset fund	19		26,268		20,466
General fund	19		9,276		6,550
Pension Reserve	28		(6,312)		(1,240)
Total Restricted Funds			29,232		25,776
Unrestricted Funds					
General Fund	19		5,410		2,561
Total unrestricted funds			5,410		2,561
			34,642		28,337

The financial statements on pages 20 to 61 were approved by the trustees and authorised for issue on 19 December 2012 and are signed on their behalf by

R Harden Director



OUTWOOD GRANGE ACADEMIES TRUST**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2012**

	Note	2012	2011
		£000	£000
Net cash inflow from operating activities	22	2,817	4,371
Cash transferred on conversion		2,612	-
Returns on investments and servicing of finance	23	105	18
Capital expenditure	24	(2,311)	(2,557)
Management of liquid resources		2,000	(2,000)
Increase/(Decrease) in cash in the year		5,223	(168)
Reconciliation of net cash flow to movement in net funds	25		
Net funds at 1 September 2011		7,581	7,749
Net funds at 31 August 2012		12,804	7,581

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

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 EFA 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 trustees 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 trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Incoming Resources

All incoming resources are 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.

- ***Donations***

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

- ***Other income***

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

- ***Donated services and gifts in kind***

The value of donated services and gifts in kind provided to the Academy 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 included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's policies.

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

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 activity. 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 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, Board and Academy Council meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities over the expected useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy.

Assets costing less than £1,000 are written off in the year of acquisition.

Depreciation

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

Leasehold land	0.8%
Leasehold buildings	2%
Furniture and equipment	10%
Plant and machinery	10%
Computer and educational equipment	25%
Motor vehicles	25%

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

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

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

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 and Ripon which are occupied under a long lease (125 years) are brought into the balance sheet and depreciated. The land and buildings at Adwick are occupied under a short-term lease pending completion of the new academy building and are not currently included in the balance sheet. The land and buildings at Portland and Valley are occupied under a long-term lease (125 years) but are also subject to a PFI agreement, which has been classed as an operating lease. Consequently the assets are not included in the balance sheet and the costs are charged to the statement of financial activities as set out above.

Stocks

Stocks, when held, are stated at the lower of cost and 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 tax in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax 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 28, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

Local Government Pension Scheme (four schemes, Outwood, Adwick and Ripon are in separate schemes, Portland and Valley are in the same scheme)

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 costs 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 trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the EFA/PFS/other funders 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 EFA/DfE.

New Academies

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

The assets and liabilities transferred on conversion from the maintained schools Ripon College, Portland School and Valley School to an academy trust have been valued at their fair value. The amounts are recognised under the appropriate balance sheet categories with a corresponding amount recognised in voluntary income as a gift. The amounts are shown in the following table:

	Ripon £k	Portland £k	Valley £k
Land and Buildings	2,912	-	-
Other fixed assets	147	369	940
Pension liabilities	(625)	(1,414)	(1,706)
School budget surplus	302	1,424	886

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

2 GENERAL ANNUAL GRANT (GAG)

	Outwood Grange 2012 £000	Outwood Grange 2011 £000
a. Results and Carry Forward for the Year		
GAG brought forward from previous year	3,301	1,667
GAG allocation for current year	11,059	11,332
Total GAG available to spend	14,360	12,999
Recurrent expenditure from GAG	(8,447)	(7,766)
Fixed assets purchased from GAG	(1,593)	(1,932)
GAG carried forward to next year	4,320	3,301
Maximum permitted GAG carry forward at end of current year (12% of allocation for current year)	(1,327)	(1,360)
GAG carry forward agreed with EFA	(4,320)	(3,301)
GAG to surrender to DfE	-	-
(12% rule breached if result is positive)	no breach	no breach
b. Use of GAG brought forward from previous year for recurrent purposes)		
(of the amount carried forward each year, a maximum of 2% of GAG can be used for recurrent purposes. Any balance, up to a maximum of 12%, can only be used for capital purposes)		
Recurrent expenditure from GAG in current year	8,447	7,766
GAG allocation for current year	(11,059)	(11,332)
GAG allocation for previous year x 2%	(227)	(224)
GAG b/fwd from previous year in excess of 2%, used on recurrent expenditure in current year	(2,839)	(3,790)
(2% rule breached if result is positive)	no breach	no breach

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

	Adwick 2012 £000	Adwick 2011 £000
a. Results and Carry Forward for the Year		
GAG brought forward from previous year	2,418	1,370
GAG allocation for current year	5,955	6,552
Total GAG available to spend	8,373	7,922
Recurrent expenditure from GAG	(4,470)	(5,124)
Fixed assets purchased from GAG	(378)	(380)
GAG carried forward to next year	3,525	2,418
Maximum permitted GAG carry forward at end of current year (12% of allocation for current year)	(715)	(786)
GAG carry forward agreed with EFA	(3,525)	(2,418)
GAG to surrender to DfE	-	-
(12% rule breached if result is positive)	no breach	no breach
b. Use of GAG brought forward from previous year for recurrent purposes (of the amount carried forward each year, a maximum of 2% of GAG can be used for recurrent purposes. Any balance, up to a maximum of 12%, can only be used for capital purposes)		
Recurrent expenditure from GAG in current year	4,470	5,124
GAG allocation for current year	(5,955)	(6,552)
GAG allocation for previous year x 2%	(131)	(133)
GAG b/fwd from previous year in excess of 2%, used on recurrent expenditure in current year	(1,616)	(1,561)
(2% rule breached if result is positive)	no breach	no breach
No breaches – see note below		

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

	Ripon 2012 £000	Portland 2012 £000	Valley 2012 £000
a. Results and Carry Forward for the Year			
GAG brought forward from previous year	-	-	-
GAG allocation for current year	3,061	1,920	1,946
Total GAG available to spend	3,061	1,920	1,946
Recurrent expenditure from GAG	(2,943)	(1,757)	(1,748)
Fixed assets purchased from GAG	-	(9)	(98)
GAG carried forward to next year	118	154	100

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

	367	230	234
GAG to surrender to DfE	(249)	(76)	(134)
(12% rule breached if result is positive)	no breach	no breach	no breach

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

Recurrent expenditure from GAG in current year	2,943	1,757	1,748
GAG allocation for current year	(3,061)	(1,920)	(1,946)
GAG allocation for previous year x 2%	-	-	-
GAG b/fwd from previous year in excess of 2%, used on recurrent expenditure in current year	(118)	(163)	(198)
(2% rule breached if result is positive)	no breach	no breach	no breach
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 EFA (formerly the YPLA) regarding the planned capital investment over the next three to five years they have given permission for all surpluses to be carried forward for the current year and up to 2014/15 (for Outwood Grange and Adwick). This agreement is conditional upon the monitoring of the investment plans for the two sites and the progression of the capital works as planned.

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

3. VOLUNTARY INCOME

	Unrestricted Funds £000	Restricted Funds £000	Total 2012 £000	Total 2011 £000
Other Donations				
Donation of surplus from NYCC	302	-	302	-
Donation of surplus from NCC	2,310	-	2,310	-
Donation of assets from NYCC	-	3,059	3,059	-
Donation of assets from NCC	-	1,309	1,309	-
Donations from related companies	218	819	1,037	264
Pension deficits transferred on conversion	-	(3,745)	(3,745)	-
	2,830	1,442	4,272	264

4. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds £000	Restricted Funds £000	Total 2012 £000	Total 2011 £000
External fees	61	-	61	293
Hire of facilities	84	-	84	14
Other	38	-	38	277
	183	-	183	584

5. INVESTMENT INCOME

	Unrestricted Funds £000	Restricted Funds £000	Total 2012 £000	Total 2011 £000
Short-term deposits	115	-	115	16
	115	-	115	16

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

6. FUNDING FOR THE TRUST'S EDUCATIONAL OPERATIONS (All Restricted Funds)

	Unrestrict ed Funds £000	Restricted Funds £000	Total 2012 £000	Total 2011 £000
Department for Education grants				
General Annual Grant (GAG)	-	23,943	23,943	17,884
Start Up	-	109	109	894
Capital Grants	-	249	249	651
Standards Fund	-	-	-	526
Other DfE grants	-	2,512	2,512	-
	-	26,813	26,813	19,955
Other Government Grants				
Local Authority	-	537	537	643
Other	-	281	281	1,060
	-	818	818	1,703
Other Income				
Catering	596	-	596	525
	596	27,631	28,227	22,183

7. RESOURCES EXPENDED

	Non Pay Expenditure			Total	Total
	Staff Costs	Premises	Other	2012	2011
	£000	£000	costs £000	£000	£000
Academy's educational operations					
Direct costs	12,956	1,086	2,302	16,344	11,984
Allocated support costs	5,277	1,516	2,208	9,001	5,617
	18,233	2,602	4,510	25,345	17,601
Governance costs including allocated support costs					
	-	-	52	52	37
	18,233	2,602	4,562	25,397	17,638

Incoming/Outgoing resources for the year include

	2012 £000	2011 £000
Operating leases	63	54
Fee payable to auditor – audit (current year)	19	10
Fee payable to auditor – audit (previous year)	18	-

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

Fee payable to auditor – other services	101	37
Profit/loss on disposal of fixed assets	-	-

8. CHARITABLE ACTIVITIES – TRUST’S EDUCATIONAL OPERATIONS

	Unrestricted Funds £000	Restricted Funds £000	2012 £000	2011 £000
DIRECT COSTS				
Teaching and educational support staff costs	43	12,913	12,956	9,928
Depreciation	-	1,086	1,086	576
Educational supplies	-	617	617	491
Examination fees	-	697	697	465
Staff development	-	110	110	34
External fees	-	630	630	451
Other direct costs	-	248	248	39
	43	16,301	16,344	11,984
ALLOCATED SUPPORT COSTS				
Support staff costs	250	5,027	5,277	3,431
Depreciation	-	12	12	11
Recruitment and support	-	115	115	193
Maintenance of premises and equipment	-	675	675	364
Cleaning	-	73	73	69
Rent and rates	-	115	115	41
Heat and light	-	464	464	291
Insurance	-	177	177	110
Security and transport	-	132	132	106
Catering	377	98	475	443
Technology costs	-	316	316	298
Bank interest and charges	-	12	12	9
Telephones	-	92	92	49
Marketing & Publications	-	145	145	100
Professional fees re new academies	-	53	53	-
16-19 Bursary Payments	-	30	30	-
Other support costs	-	838	838	102
	627	8,374	9,001	5,617
	670	24,675	25,345	17,601

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

9. GOVERNANCE COSTS

	Unrestricted Funds £000	Restricted Funds £000	2012 £000	2011 £000
Legal and Professional Fees	-	3	3	17
Auditor's remuneration				
- Audit of financial statements (current year)	-	19	19	10
- Audit of financial statements (previous year)	-	18	18	-
- Responsible officer audit	-	12	12	10
Support staff costs	-	-	-	-
Governors' reimbursed expenses	-	-	-	-
	-	52	52	37

10. STAFF COSTS

Staff costs during the period were

	2012 £000	2011 £000
Wages and salaries	14,374	11,293
Social security costs	1,041	753
Pension contributions	2,118	1,313
	17,533	13,359
Supply teacher costs	567	412
Compensation payments	133	-
	18,233	13,771

The average number of persons (including senior management team) employed by the Trust during the year ended 31 August 2012 expressed as full time equivalents was as follows

	2012 No.	2011 No.
Charitable Activities		
Teachers	416	197
Administration and support	383	173
	799	370

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

14 (2011 – 8) employees earned more than £60,000 per annum (including taxable benefits but excluding employers' pension contributions) during the year ended 31 August 2012. The total emoluments of these employees were in the following ranges

	2012	2011
	Number	Number
£60,001 - £70,000	6	2
£70,001 - £80,000	2	-
£80,001 - £90,000	2	2
£90,001 - £100,000	1	1
£100,001 - £110,000	2	2
£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 2012, pension contributions for these staff amounted to £154,625 (2011 - £109,687)

11. DIRECTORS' REMUNERATION AND EXPENSES

The Chief Executive only receives remuneration in respect of services he provides undertaking the roles of the Chief Executive and not in respect of his service as a trustee. Total emoluments (also being those of the highest paid director) are as follows

	2012	2011
	£000	£000
Remuneration for teaching services	182	182
Contributions to the teachers' pension scheme	26	26
	208	208

The teachers' pension scheme is a multi-employer defined benefit scheme and the accrued pension entitlement and lump sum in relation to the highest paid director cannot be identified

During the year ended 31 August 2012, travel and subsistence expenses totalling £nil (2011 - £nil) were reimbursed to no (2011 – 0) Directors for their services as a Director

12. 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 £5m (2011 - £1m) on any one claim and the cost for the year ended 31 August 2012 was £4,664 (2011 - £2,000). The cost of this insurance is included in the total insurance cost

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

13. TANGIBLE FIXED ASSETS

	Long leasehold land & buildings	Furniture & Equipment	Computer Equipment	Assets under construction	Total
Cost	£000	£000	£000	£000	£000
At 1 September 2011	16,819	1,039	987	2,614	21,459
Additions	3,881	863	1,664	520	6,928
Disposals	-	-	-	-	-
Transfers	2,572	42	-	(2,614)	-
At 31 August 2012	23,272	1,944	2,651	520	28,387
Depreciation					
At 1 September 2011	587	109	326	-	1,022
Charged in year	415	292	391	-	1,098
Disposals	-	-	-	-	-
At 31 August 2012	1,002	401	717	-	2,120
Net book values					
At 31 August 2012	22,270	1,543	1,934	520	26,267
At 31 August 2011	16,232	930	661	2,614	20,437

14. INVESTMENTS

The charitable company owns 100% of the issued ordinary shares in Outwood Grange Services Limited, a company incorporated in England at a cost of £1. The principal business activity of Outwood Grange Services Limited is the provision of educational services and the management of lettings. Consolidated accounts have not been prepared for the year as the activities were immaterial to the group.

For the year ended 31 August 2012, the initial unaudited position shows that Outwood Grange Services Limited had aggregate net liabilities of £13k and a deficit of £13k.

15. STOCK

	2012 £000	2011 £000
Stationery	8	9
	8	9

OUTWOOD GRANGE ACADEMIES TRUST**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012****16. DEBTORS**

	2012	2011
	£000	£000
Trade debtors	375	51
Other debtors	2,764	644
Prepayments	1,097	644
	4,236	1,339

17. CREDITORS. AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012	2011
	£000	£000
Trade creditors	724	811
Sundry creditors	126	186
Taxation and social security	50	317
Accruals	1,461	475
	2,361	1,789

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

18. FUNDS

Outwood Grange Academy	Balance at 31 August 2011 £000	Incoming Resources £000	Resources Expended £000	Gains, losses and transfers £000	Balance at 31 August 2012 £000
Restricted general funds					
General Annual Grant (GAG)	3,301	11,059	(8,575)	(1,465)	4,320
Start Up Grant	290	-	(290)	-	-
Other DfE/EFA Grants	136	531	(496)	-	171
Other Grants	117	396	(439)	-	74
Other Income	-	899	-	-	899
Pension Reserve	(1,339)	-	-	(842)	(2,181)
Restricted fixed asset funds					
DfE/EFA capital grants	915	131	-	-	1,046
Capital expenditure from GAG	3,238	-	(619)	1,593	4,212
Sponsorship	15,548	-	-	-	15,548
Private sector capital	32	-	-	-	32
Total Restricted Funds	22,238	13,016	(10,419)	(714)	24,121
Unrestricted funds					
Unrestricted funds	2,355	717	(358)	-	2,714
Total unrestricted funds	2,355	717	(358)	-	2,714
Total funds	24,593	13,733	(10,777)	(714)	26,835

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 EFA regarding the planned capital investment by the Trust over the next three to five years they have given permission for OGAT to carry forward surpluses from the Outwood and Adwick sites in excess of 12% 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.

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

- (iii) Other DfE/EFA grants include a range of grants which are to be used for educational purposes. These include School Development Grant, EMAG, 1 2 1 Tuition, Pupil Premium, Bursary Fund and Golden Hello.
- (iv) Other grants also include a range of grants which are to be used for educational purposes. These include SEN low incidence, Graduate Teacher Programme, Teachers Pay Grant, Newly Qualified Teachers and School Sports Partnership.
- (v) Other restricted income relates to a donation from Outwood Grange School Fund Charity. The donation was made for the specific purpose of the development of the Outwood Grange Academy buildings and site to provide students with improved facilities.
- (vi) DfE/EFA capital grants include Devolved Formula Capital and Academies Capital Maintenance Fund. The latter grant is provided towards specific named projects.
- (vii) 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.
- (viii) Restricted fixed assets were funded by government grants, capital contributions or were donated by the local authority.

Outwood Academy Adwick	Balance at 31 August 2011 £000	Incoming Resources £000	Resources Expended £000	Gains, losses and transfers £000	Balance at 31 August 2012 £000
Restricted general funds					
General Annual Grant (GAG)	2,418	5,955	(4,499)	(349)	3,525
Start Up Grant	405	-	(405)	-	-
Other DfE/EFA Grants	-	602	(602)	-	-
Other Grants	(117)	233	(233)	-	(117)
Pension Reserve	99	-	-	(195)	(96)
Restricted fixed asset funds					
DfE/EFA capital grants	348	9	-	-	357
Capital expenditure from GAG	294	-	(309)	378	363
Sponsorship	91	-	-	-	91
Total Restricted Funds	3,538	6,799	(6,048)	(166)	4,123
Unrestricted funds					
Unrestricted funds	206	286	(221)	-	271
Total unrestricted funds	206	286	(221)	-	271
Total funds	3,744	7,085	(6,269)	(166)	4,394

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

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

- (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 EFA regarding the planned capital investment by the Trust over the next three to five years they have given permission for OGAT to carry forward surpluses from the Outwood and Adwick sites in excess of 12% 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 DfE/EFA grants include a range of grants which are to be used for educational purposes. These include School Development Grant, EMAG, 1 2 1 Tuition, Extended Schools, Pupil Premium, Bursary Fund and Golden Hello.
- (iv) Other grants also include a range of grants which are to be used for educational purposes. These include SEN low incidence, Post LIG Deprivation, National Strategies, Aim Higher, and PE Teachers.
- (v) DfE/EFA capital grants relate to Devolved Formula Capital which is to be used for the improvement of the site generally.
- (vi) 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.
- (vii) Restricted fixed assets were funded by government grants, capital contributions or were donated by the local authority.

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

Outwood Academy Ripon	Balance at 31 August 2011 £000	Incoming Resources £000	Resources Expended £000	Gains, losses and transfers £000	Balance at 31 August 2012 £000
Restricted general funds					
General Annual Grant (GAG)	-	3,061	(2,975)	32	118
Other DfE/EFA Grants	-	54	(45)	-	9
Other Grants	-	66	(66)	-	-
Pension Reserve	-	(625)	-	(106)	(731)
Restricted fixed asset funds					
DfE/EFA capital grants	-	109	-	-	109
Sponsorship	-	3,058	(93)	205	3,170
Total Restricted Funds	-	5,723	(3,179)	131	2,675
Unrestricted funds					
Unrestricted funds	-	391	(82)	(205)	104
Total unrestricted funds	-	391	(82)	(205)	104
Total funds	-	6,114	(3,261)	(74)	2,779

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

- 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.
- ii) Other DfE/EFA grants include a range of grants which are to be used for educational purposes. These include Pupil Premium and Bursary Fund.
- iii) Other grants also include a range of grants which are to be used for educational purposes. These include SEN low incidence, Graduate Teacher Programme, Your Consortium and School Sports Partnership.
- 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 capital contributions or were donated by the local authority.

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

Outwood Academy Portland	Balance at 31 August 2011	Incoming Resources	Resources Expended	Gains, losses and transfers	Balance at 31 August 2012
	£000	£000	£000	£000	£000
Restricted general funds					
General Annual Grant (GAG)	-	1,920	(1,780)	14	154
Start Up Grant	-	58	(58)	-	-
Other DfE/EFA Grants	-	29	(6)	-	23
Other Grants	-	4	(4)	-	-
Other Income	-	116	(116)	-	-
Pension Reserve	-	(1,414)	-	(86)	(1,500)
Restricted fixed asset funds					
Capital expenditure from GAG	-	-	-	9	9
Sponsorship	-	369	(22)	-	347
Total Restricted Funds	-	1,082	(1,986)	(63)	(967)
Unrestricted funds					
Unrestricted funds	-	1,431	-	-	1,431
Total unrestricted funds	-	1,431	-	-	1,431
Total funds	-	2,513	(1,986)	(63)	464

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

- (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.
- (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 DfE/EFA grants include a range of grants which are to be used for educational purposes. These include Bursary Fund and Summer School grants.
- (iv) Other grants include SEN low incidence funding.
- (v) 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.
- (vi) Restricted fixed assets were funded by government grants or were donated by the local authority.

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

Outwood Academy Valley	Balance at 31 August 2011 £000	Incoming Resources £000	Resources Expended £000	Gains, losses and transfers £000	Balance at 31 August 2012 £000
Restricted general funds					
General Annual Grant (GAG)	-	1,946	(1,768)	(78)	100
Start Up Grant	-	51	(51)	-	-
Other Grants	-	81	(81)	-	-
Pension Reserve	-	(1,706)	-	(98)	(1,804)
Restricted fixed asset funds					
Capital expenditure from GAG	-	-	-	98	98
Sponsorship	-	940	(54)	-	886
Total Restricted Funds	-	1,312	(1,954)	(78)	(720)
Unrestricted funds					
Unrestricted funds	-	890	-	-	890
Total unrestricted funds	-	890	-	-	890
Total funds	-	2,202	(1,954)	(78)	170

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

- (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
- (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 grants include SEN low incidence funding
- (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 were donated by the local authority

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

Outwood Grange Academies Trust (Group Function)	Balance at 31 August 2011 £000	Incoming Resources £000	Resources Expended £000	Gains, losses and transfers £000	Balance at 31 August 2012 £000
Restricted general funds					
Other DfE/EFA Grants	-	1,295	(1,295)	-	-
Other Grants	-	40	(40)	-	-
Restricted fixed asset funds	-	-	-	-	-
Total Restricted Funds	-	1,335	(1,335)	-	-
Unrestricted funds					
Unrestricted funds	-	8	(8)	-	-
Total unrestricted funds	-	8	(8)	-	-
Total funds	-	1,343	(1,343)	-	-

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

- i) Other DfE/EFA grants include Lead-In grant and Additional Lead-In grant relating to the management of the Portland and Valley schools prior to conversion to academy status
- ii) Other grants include NLE Bursary grant

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £000	Restricted general funds £000	Restricted fixed asset funds £000	Total £000
Tangible fixed assets	-	-	26,267	26,267
Investments	-	-	-	-
Current assets	5,410	10,878	760	17,048
Current liabilities	-	(1,602)	(759)	(2,361)
Pension scheme liability	-	(6,312)	-	(6,312)
	5,410	2,964	26,268	34,642

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

20. CAPITAL COMMITMENTS

	2012	2011
	£000	£000
Contracted for but not provided in the financial statements	1,159	621
Authorised by Directors but not yet contracted	2,313	1,092

The above capital commitments will be met from accumulated surpluses and grants

21. FINANCIAL COMMITMENTS

At 31 August 2012 the Trust was committed to making the following annual payments under non-cancellable operating leases as follows

	2012	2011
	£000	£000
Land and buildings		
Expiring within one year	2	-
Expiring within two and five years inclusive	24	-
Expiring in over five years	1,322	-
Other		
Expiring within one year	21	5
Expiring within two and five years inclusive	48	19
Expiring in over five years	37	6
	1,454	30

22. RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2012	2011
	£000	£000
Net income	7,400	5,409
Depreciation (note 13)	1,098	587
Capital grants from DfE and other capital income	(249)	(651)
Interest receivable (note 5)	(115)	(18)
Non-cash donations (assets donated)	(4,368)	-
Cash transferred on conversion	(2,612)	-
Pension deficit transferred on conversion	3,745	-
FRS17 pension cost less contributions payable (note 28)	151	196
FRS 17 pension finance income (note 28)	81	39
(Increase) /decrease in stocks	1	(3)
(Increase)/decrease in debtors	(2,858)	(1,008)
Increase /(decrease) in creditors	543	(180)
Net cash inflow from operating activities	2,817	4,371

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

23. RETURNS ON INVESTMENT AND SERVICING OF FINANCE

	2012	2011
	£000	£000
Interest received	105	18
Net cash inflow from returns on investment and servicing of finance	105	18

24. CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

	2012	2011
	£000	£000
Purchase of tangible fixed assets	(2,560)	(3,208)
Capital grants from DfE/EFA	249	651
Net cash outflow from capital expenditure and financial investment	(2,311)	(2,557)

25. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 September	Cash flows	At 31 August
	2011		2012
	£000	£000	£000
Cash at bank and in hand	7,581	5,223	12,804

26. 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

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

27. 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 financial 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

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

28. PENSION AND SIMILAR OBLIGATIONS

The Trust's employees belong to two principal pension schemes the Teachers' 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"), the South Yorkshire Pension Fund for Adwick ("SYPF"), the North Yorkshire Pension Fund for Ripon ("NYPF"), and the Nottinghamshire Pension Fund for Portland and Valley ("NPF") Both the TPS and the LGPS 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

Teachers' Pension Scheme (TPS)

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

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

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

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

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

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

As from 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

0.75% (to balance assets and liabilities as required by the regulations within 15 years) This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable. The cost-sharing agreement also introduced – effective for the 2008 valuation – a 14% cap on employer contributions payable.

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

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The trust is unable to identify its share of the underlying assets 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.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee administered funds. The total contribution made for the year ended 31 August 2012 was £967k, of which employer's contributions totalled £674k and employees' contributions totalled £293k. The agreed contribution rates and estimated value of contributions for the year ended 31 August 2013 are as follows:

Pension Fund	Employers %	£k
WYPF – Outwood Grange	13.9	269
SYPF – Adwick	12.2	97
NYPF – Ripon	12.7	74
NPF – Portland and Valley	18.3	369

Principal actuarial assumptions

WYPF	31 August 2012 %	31 August 2011 %
Rate of increase in salaries	4.7	5.1
Rate of increase for pensions in payment	2.2	2.7
Discount rate for liabilities	4.2	5.4
Inflation assumption (CPI)	2.2	2.7
Commutation of pensions to lump sums	50	50

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

SYPF	31 August 2012 %	31 August 2011 %
Rate of increase in salaries	4.05	4.45
Rate of increase in pensions	2.3	2.7
Discount rate for liabilities	4.5	5.3
Inflation assumption (CPI)	2.3	2.7
Commutation of pensions to lump sums	50	50

NYPF	31 August 2012 %	31 August 2011 %
Rate of increase in salaries	4.05	4.45
Rate of increase in pensions	2.3	2.7
Discount rate for liabilities	4.5	5.3
Inflation assumption (CPI)	2.3	2.7
Commutation of pensions to lump sums	50	50

NPF - Portland	31 August 2012 %	31 May 2012 %
Rate of increase in salaries	4.1	4.2
Rate of increase in pensions	1.9	2.0
Discount rate for liabilities	3.9	4.1
Inflation assumption (CPI)	1.9	2.0
Commutation of pensions to lump sums	50	50

NPF - Valley	31 August 2012 %	31 May 2012 %
Rate of increase in salaries	4.1	4.2
Rate of increase in pensions	1.9	2.0
Discount rate for liabilities	3.9	4.1
Inflation assumption (CPI)	1.9	2.0
Commutation of pensions to lump sums	50	50

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 2012 Years	31 August 2011 Years
Retiring today - Males	22.0	21.9
Retiring today - Females	24.1	24.0
Retiring in 20 years Males	23.8	23.7
Retiring in 20 years Females	26.1	26.0

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

SYPF	31 August 2012 Years	31 August 2011 Years
Retiring today - Males	21 8	21 4
Retiring today - Females	24 6	24 1
Retiring in 20 years - Males	23 6	22 8
Retiring in 20 years - Females	26 5	25 7

NYPF	31 August 2012 Years	31 August 2011 Years
Retiring today - Males	22 5	22 1
Retiring today - Females	25 2	24 7
Retiring in 20 years - Males	24 3	23 5
Retiring in 20 years - Females	27 2	26 3

NPF - Portland	31 August 2012 Years	31 August 2011 Years
Retiring today - Males	18 6	-
Retiring today - Females	22 7	-
Retiring in 20 years - Males	20 6	-
Retiring in 20 years - Females	24 5	-

NPF - Valley	31 August 2012 Years	31 August 2011 Years
Retiring today - Males	18 6	-
Retiring today - Females	22 7	-
Retiring in 20 years - Males	20 6	-
Retiring in 20 years - Females	24 5	-

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

WYPF	Expected return at 31 August 2012 (% pa)	Fair value at 31 August 2012 £000	Expected return at 31 August 2011 (% pa)	Fair value at 31 August 2011 £000
Equities	7 5	2,324	7 7	2,002
Property	7 0	120	7 2	99
Government Bonds	2 5	442	3 7	318
Corporate Bonds	3 2	190	4 8	109
Cash	1 3	93	1 6	58
Other	7 5	156	7 7	153
Total market value of assets	6.4	3,325	7.0	2,739
Present value of scheme liabilities		5,506		4,078
• funded				
Surplus (deficit) in the scheme		(2,181)		(1,339)

Outwood Grange Academy employs a building block approach in determining the rate of return on Fund assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns.

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

consistent with widely accepted capital market principles. The assumed rate of return on each asset class is set out within this note. The overall expected return on assets is then derived by aggregating the expected return for each asset class over the actual asset allocation for the Fund at 31 August 2012.

SYPF	Expected rate of return at 31 August 2012 (% pa)	Fair value at 31 August 2012 £000	Expected rate of return at 31 August 2011 (% pa)	Fair value at 31 August 2011 £000
Equities	7	1,619	7	1,388
Property	6	239	6	210
Government Bonds	2.5	361	3.7	334
Corporate Bonds	3.4	204	4.8	154
Cash	0.5	65	0.5	53
Other	n/a	0	n/a	0
Total market value of assets	5.57	2,488	5.85	2,139
Present value of scheme liabilities		2,584		2,040
• funded				
Surplus (deficit) in the scheme		(96)		99

For the SYPF the expected rate of return on plan assets is based on market expectations, at the beginning of the period, for investment returns over the entire life of the related obligation. The assumption used is the average of the following assumptions appropriate to the individual asset classes by the proportion of the assets in the particular asset class.

The assumed investment return on government bonds is the yield on 20-year fixed interest gilts at the relevant date. At 31 August 2012 the yield was 2.5% p.a.

The expected investment return on corporate bonds is based on market yields at the relevant date, less a reduction to reflect a risk of default in the corporate bond yield. This means that the expected return on corporate bond investments is lower than the discount rate used in the calculations. As at 31 August 2012 the expected return of 3.4% p.a. is calculated as the relevant yield of 3.9% p.a. on iBoxx corporate bonds of over 15 years duration less an allowance for the risk of default of 0.5% p.a.

It is generally accepted that the yield on equity investments will contain an "equity risk premium" in addition to the yield on Government bonds, which are perceived as the "least-risk" investment class, in order to compensate investors for the additional risk of holding this type of investment. Historical excess equity returns over more than 100 years have been approximately 4% p.a. on average. However, the level of equity risk premium can vary from time to time dependent on market levels and expectations for future returns. The actuary has taken the overall expected return on equities as at 31 August 2012 as 7% p.a. implying an equity risk premium on equities of 4.5% p.a. over and above the gilt yield of 2.5% p.a.

The average return on property investments has been taken to be 1% p.a. below long-term average equity returns.

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

NYPF	Expected rate of return at 31 August 2012 (% pa)	Fair value at 31 August 2012 £000	Expected rate of return at 31 August 2011 (% pa)	Fair value at 31 August 2011 £000
Equities	7	73	7	N/A
Property	6	2	6	N/A
Government Bonds	2.5	13	3.7	N/A
Corporate Bonds	3.4	14	4.8	N/A
Cash	0.5	1	0.5	N/A
Other	7	-	7	N/A
Total market value of assets	5.52	103	5.94	N/A
Present value of scheme liabilities		834		N/A
• funded				
Surplus (deficit) in the scheme		(731)		N/A

For the NYPF the expected rate of return on plan assets is based on market expectations, at the beginning of the period, for investment returns over the entire life of the related obligation. The assumption used is the average of the following assumptions appropriate to the individual asset classes weighted by the proportion of assets in the particular asset class.

The assumed investment return on government bonds is the yield on 20-year fixed interest gilts at the relevant date. At 31 August 2012 the yield was 2.5% p.a.

The expected investment return on corporate bonds is based on market yields at the relevant date, less a reduction to reflect a risk of default in the corporate bond yield. This means that the expected return on corporate bond investments is lower than the discount rate used in the calculations. As at 31 August 2012 the expected return of 3.4% p.a. is calculated as the relevant yield of 3.9% p.a. on iBoxx corporate bonds of over 15 years duration less an allowance for the risk of default of 0.5% p.a.

It is generally accepted that the yield on equity investments will contain an "equity risk premium" in addition to the yield on Government bonds, which are perceived as the "least-risk" investment class, in order to compensate investors for the additional risk of holding this type of investment. Historical excess equity returns over more than 100 years have been approximately 4% p.a. on average. However, the level of equity risk premium can vary from time to time dependent on market levels and expectations for future returns. The actuary has taken the overall expected return on equities as at 31 August 2012 as 7% p.a. implying an equity risk premium on equities of 4.5% p.a. over and above the gilt yield of 2.5% p.a.

The average return on property investments has been taken to be 1% p.a. below long-term average equity returns.

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

NPF - Portland	Expected rate of return at 31 August 2012 (% pa)	Fair value at 31 August 2012 £000	Expected rate of return at 31 August 2011 (% pa)	Fair value at 31 August 2011 £000
Equities	5.5	704	N/A	N/A
Property	4.5	137	N/A	N/A
Government Bonds	2.8	105	N/A	N/A
Corporate Bonds	3.9	42	N/A	N/A
Cash	0.5	42	N/A	N/A
Other	5.5	21	N/A	N/A
Total market value of assets		1,051	N/A	N/A
Present value of scheme liabilities • funded		2,551	N/A	N/A
Surplus (deficit) in the scheme		(1,500)		N/A

NPF - Valley	Expected rate of return at 31 August 2012 (% pa)	Fair value at 31 August 2012 £000	Expected rate of return at 31 August 2011 (% pa)	Fair value at 31 August 2011 £000
Equities	5.5	790	N/A	N/A
Property	4.5	153	N/A	N/A
Government Bonds	2.8	118	N/A	N/A
Corporate Bonds	3.9	47	N/A	N/A
Cash	0.5	47	N/A	N/A
Other	5.5	24	N/A	N/A
Total market value of assets		1,179		N/A
Present value of scheme liabilities • funded		2,983	N/A	N/A
Surplus (deficit) in the scheme		(1,804)		N/A

For the NPF 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 2 June 2012 for the period to 31 August 2012). The returns on gilts and other bonds are assumed to be the gilt yield and corporate bond yield respectively at the relevant date. The returns on equities and property are then assumed to be a margin above gilt yields.

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

- Amounts recognised in the Statement of Financial Activities

WYPF

	2012 £000	2011 £000
Current service cost (net of employee contributions)	331 0	360 0
Past service cost	-	-
Total Operating Charge	331.0	360.0
Analysis of pension finance income / (costs)		
Expected return on pension scheme assets	(196 0)	(155 0)
Interest on pension liabilities	232 0	191 0
Pension finance income	36.0	36.0

SYPF

	2012 £000	2011 £000
Current service cost (net of employee contributions)	162 0	188 0
Past service cost	0	-
Total Operating Charge	162.0	188.0
Analysis of pension finance income / (costs)		
Expected return on pension scheme assets	(129 0)	(99 0)
Interest on pension liabilities	113 0	102 0
Pension finance income / (costs)	(16)	3.0

NYPF

	2012 £000	2011 £000
Current service cost	72	N/A
Past service cost	-	N/A
Total Operating Charge	72	N/A
Analysis of pension finance income / (costs)		
Expected return on pension scheme assets	(3)	N/A
Interest on pension liabilities	36	N/A
Pension finance income / (costs)	33	N/A

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

NPF - Portland

	2012 £000	2011 £000
Current service cost	57	N/A
Past service cost	-	N/A
Total Operating Charge	57	N/A
Analysis of pension finance income / (costs)		
Expected return on pension scheme assets	(12)	N/A
Interest on pension liabilities	25	N/A
Pension finance income / (costs)	13	N/A

NPF - Valley

	2012 £000	2011 £000
Current service cost	51	N/A
Past service cost	-	N/A
Total Operating Charge	51	N/A
Analysis of pension finance income / (costs)		
Expected return on pension scheme assets	(14)	N/A
Interest on pension liabilities	29	N/A
Pension finance income / (costs)	15	N/A

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £541,000 loss (2011: £554,000 gain).

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

WYPF

	2012 £000	2011 £000
At 1 September	4,078	3,685.0
Current service cost	331.0	360.0
Interest cost	232.0	191.0
Employee contributions	105.0	98.0
Actuarial (gain) / loss	757.0	(213.0)
Benefits paid	3.0	(43.0)
Past Service cost	-	-
Curtailments and settlements	-	-
At 31 August	5,506.0	4,078.0

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

SYPF

	2012 £000	2011 £000
At 1 September	2,040.0	1,963.0
Current service cost	162.0	188.0
Interest cost	113.0	102.0
Employee contributions	57.0	58.0
Actuarial (gain) / loss	236.0	(271.0)
Benefits paid	-	-
Past Service cost	-	-
Benefits/transfers paid	(24.0)	-
At 31 August	2,584.0	2,040.0

NYPF

	2012 £000
At 1 September	0
Current service cost	72
Interest cost	36
Employee contributions	25
Actuarial (gain) / loss	76
Benefits paid	-
Past Service cost	-
Business combinations	625
At 31 August	834

NPF - Portland

	2012 £000
At 1 June	2,408
Current service cost	57
Interest cost	25
Employee contributions	16
Actuarial (gain) / loss	69
Benefits paid	(24)
Past Service cost	-
Curtailments and settlements	-
At 31 August	2,551

NPF - Valley

	2012 £000
At 1 June	2,804
Current service cost	51
Interest cost	29
Employee contributions	15
Actuarial (gain) / loss	84
Benefits paid	-
Past Service cost	-
Curtailments and settlements	-
At 31 August	2,983

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

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

WYPF	2012	2011
At 1 September	2,739	2,207
Expected return on assets	196 0	155 0
Actuarial gain/(loss)	43 0	90 0
Employer contributions	239 0	232 0
Employee contributions	105 0	98 0
Benefits paid	3 0	(43 0)
At 31 August	3,325	2,739

SYPF	2012	2011
At 1 September	2,139.0	1,597
Expected return on assets	129 0	99 0
Actuarial gain/(loss)	70 0	265 0
Employer contributions	117 0	120 0
Employee contributions	57 0	58 0
Benefits paid	(24 0)	0
At 31 August	2,488	2,139

NYPF	2012
At 1 September	0
Expected return on assets	3
Actuarial gain/(loss)	2
Employer contributions	73
Employee contributions	25
Benefits paid	-
At 31 August	103

NPF - Portland	2012
At 1 June	994
Expected return on assets	12
Actuarial gain/(loss)	6
Employer contributions	47
Employee contributions	16
Benefits paid	(24)
At 31 August	1,051

NPF - Valley	2012
At 1 June	1,098
Expected return on assets	14
Actuarial gain/(loss)	6
Employer contributions	46
Employee contributions	15
Benefits paid	-
At 31 August	1,179

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

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

WYPF	2012 £000	2011 £000	2010 £000
Present value of defined benefit obligations	(5,506)	(4,078)	(3,685)
Fair value of scheme assets	3,325	2,739	2,207
(Deficit) in the scheme	(2,181)	(1,339)	(1,478)

SYPF	2012 £000	2011 £000	2010 £000
Present value of defined benefit obligations	(2,584)	(2,040)	(1,963)
Fair value of scheme assets	2,488	2,139	1,597
Surplus / (Deficit) in the scheme	(96)	99	(366)

NYPF	2012 £000
Present value of defined benefit obligations	(834)
Fair value of scheme assets	103
Surplus / (Deficit) in the scheme	(731)

NPF - Portland	2012 £000	1 June 2012 £000
Present value of defined benefit obligations	(2,551)	(2,408)
Fair value of scheme assets	1,051	994
Surplus / (Deficit) in the scheme	(1,500)	(1,414)

NPF - Valley	2012 £000	1 June 2011 £000
Present value of defined benefit obligations	(2,983)	(2,804)
Fair value of scheme assets	1,179	1,098
Surplus / (Deficit) in the scheme	(1,804)	(1,706)

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

- Experience adjustments on share of scheme assets

	2012 £000	2011 £000	2010 £000
WYPF	43	90	-
SYPF	70	265	-
NYPF	2	-	-
NPF - Portland	6	-	-
NPF - Valley	6	-	-

- Experience adjustments on scheme liabilities

	2012 £000	2011 £000	2010 £000
WYPF	-	336	-
SYPF	-	33	-
NYPF	-	-	-
NPF - Portland	-	-	-
NPF - Valley	-	-	-

29. 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 - £nil (2011 - £179,000), recharges of support costs - £nil (2011 - £26,000) At the year-end a balance of £213,712 (2011 - £83,000) was due from Outwood Grange Consultancy Company, which is included in year-end debtors This donation was the final distribution of Outwood Grange Consultancy Company's assets and this company has now been liquidated

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 - £44,231 (2011 - £9,000) At the year-end a balance of £17,528 (2011 - £6,636) was due from Outwood Grange Sports and Leisure Company Limited

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

- Recharge of support costs £38,364 (2011 - £nil) At the year-end a balance of £11,273 (2011 - £nil) was due from Outwood Grange Services Limited

During the year Outwood Grange Sports and Leisure Company made a donation of £3,983 to the Trust (2011 - £1,858)

A donation of £819,000 was received from Outwood Grange School Fund Charity This donation is restricted for the specific purpose of the development of the Outwood Grange Academy buildings and site to provide students with improved facilities

During the year the Trust paid legal fees of £33,685 on behalf of J Walkden, the former chairman Permission from the Charities Commission was obtained prior to this being paid

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

Prior to them being appointed as directors, S Harness and D Earnshaw were paid £35,027 and £39,304 respectively on fixed term contracts, vetted and approved by the DfE, for project management work on conversion of two schools to academies. This employment ceased prior to their commencement as directors.

There were school funds at the former Ripon, Portland and Valley schools which became under common control following the date of conversion to academy status. These have not been consolidated as they are not material and there have been no transactions between the Trust and the school funds.

30. CONVERSION TO AN ACADEMY TRUST

The dates that three maintained schools converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Outwood Grange Academies Trust Limited from the relevant local authorities for £nil consideration are shown below.

Academy	Date of conversion
Ripon	1 September 2011
Portland	1 June 2012
Valley	1 June 2012

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

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

Ripon

	Unrestricted Funds	Restricted General Fund	Restricted Fixed Asset Funds	Total
	£000	£000	£000	£000
Tangible fixed assets				
• Freehold/leasehold land and buildings	-	-	2,912	2,912
• Other tangible fixed assets	-	-	147	147
Budget surplus/(deficit) on LA funds	302	-	-	302
Budget surplus on other school funds	-	-	-	-
LGPS pension surplus/(deficit)	-	(625)	-	(625)
Other identified assets and liabilities	-	-	-	-
Net assets/(liabilities)	302	(625)	3,059	2,736

OUTWOOD GRANGE ACADEMIES TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2012

Portland

	Unrestricted Funds	Restricted General Fund	Restricted Fixed Asset Funds	Total
	£000	£000	£000	£000
Tangible fixed assets				
• Freehold/leasehold land and buildings	-	-	-	-
• Other tangible fixed assets	-	-	369	369
Budget surplus/(deficit) on LA funds	1,424	-	-	1,424
Budget surplus on other school funds	-	-	-	-
LGPS pension surplus/(deficit)	-	(1,414)	-	(1,414)
Other identified assets and liabilities	-	-	-	-
Net assets/(liabilities)	1,424	(1,414)	369	379

Valley

	Unrestricted Funds	Restricted General Fund	Restricted Fixed Asset Funds	Total
	£000	£000	£000	£000
Tangible fixed assets				
• Freehold/leasehold land and buildings	-	-	-	-
• Other tangible fixed assets	-	-	940	940
Budget surplus/(deficit) on LA funds	886	-	-	886
Budget surplus on other school funds	-	-	-	-
LGPS pension surplus/(deficit)	-	(1,706)	-	(1,706)
Other identified assets and liabilities	-	-	-	-
Net assets/(liabilities)	886	(1,706)	940	120

31. Post balance sheet events

On 1 December 2012, Ledger Lane Primary School became an academy as part of Outwood Grange Academies Trust