

Kingsbridge Academy
(A Company Limited by Guarantee)
Annual Report and Financial Statements
Period Ended 31 August 2011

Company Registration Number 7451553

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Kingsbridge Academy

Financial Statements

Period Ended 31 August 2011

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Kingsbridge Academy

Reference and Administrative Details

Period Ended 31 August 2011

Governors (Trustees)

D Arnold* (Chairman)
S Anderson*
J Ayres*
M Bindon (Staff Governor)
K Dunning
J Fothergill*
N Grodhunce (Responsible Officer)
A Johnson
R Johnstone*
L Matthews
R Pope* (Principal and Accounting Officer)
S Tucker*

* members of the Strategy and Finance
Committee

Company Secretary

L Collard

Senior Management Team

Deputy Principal
Assistant Principal
Assistant Principal
Assistant Principal
Assistant Principal
Director of Finance and Operations

P Brooks
W Ohlson
T Graham
D Wibberley
M Lennon
S White

Principal and Registered Office

Balkwill Road
Kingsbridge
Devon
TQ7 1PL

Company Registration Number

7451553(England and Wales)

Independent Auditor

Francis Clark LLP
Sutton Harbour
Plymouth,
Devon
PL4 0RA

Bankers

Lloyds TSB
Kingsbridge
Devon

Solicitors

Foot Anstey
Salt Quay House,
4 North East Quay,
Sutton Harbour,
Plymouth,
PL4 0BN

Kingsbridge Academy

Governors' Report

Period Ended 31 August 2011

The governors present their annual report together with the financial statements and auditors' report of the charitable company for the period ended 31 August 2011. The Company was incorporated on 25 November 2010 and commenced operations as an academy school on 1 January 2011.

Structure, Governance and Management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The governors act as the trustees for the charitable activities of Kingsbridge Academy Limited and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Kingsbridge Community College.

Members' Liability

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

Governors' Indemnities

Every Governor or other officer or auditor of the Academy Trust shall be indemnified out of the assets of the Academy Trust against any liability incurred by him in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Academy Trust.

Principal Activities

The Academy Trust's object is specifically restricted to the advancement of education for the public benefit in the United Kingdom, in particular, but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

Method of Recruitment and Appointment or Election of Governors

The Members may appoint up to 12 Governors, which must include 1 Staff Governor and a minimum of 2 Parent Governors and the Principal. The Staff Governor may be appointed through such processes which the Members determine, provided that the total number of Governors (including the Principal) who are employees of the Academy Trust does not exceed one third of the total number of Governors.

Parent Governors are elected by parents of registered pupils at the Academy, a Parent Governor must be a parent of a pupil at the Academy at the time when he is elected. Any election of Parent Governors which is contested is held by secret ballot. The number of Parent Governors required is made up by Parent Governors appointed by the Governing Body.

Governors may appoint up to three Co-opted Governors. A "Co-opted Governor" means a person who is appointed to be a Governor by being co-opted by Governors who have not been so appointed.

Election of the Chair and Vice Chair of Governors is held annually. Governors nominate before the election meeting, and election is conducted by a show of hands where there is one candidate, or secret ballot where there is more than one candidate. In the event of a tie, each candidate is given the opportunity to speak to the Governors about their nomination and further vote will be taken.

Kingsbridge Academy

Governors' Report

Period Ended 31 August 2011

Policies and Procedures Adopted for the Induction and Training of Governors

All new Governors are assigned an experienced Governor mentor to assist them in taking on new responsibilities, and required to attend the new Governor training course provided by Devon County Council

Organisational Structure

The structure consists of three levels The Members, the Governors and the Senior Management Team

The Members of the Trust comprise the signatories of the Memorandum, including the Chair of Governors The Members have defined the roles of the Governors and the Committee structure The Members meet annually to determine the strategic direction of the College and review progress against the strategic objectives for the College

Each Governor is, in addition to being a member of the Full Governing Body a member of either the Learning & Community Committee or the Strategy and Finance Committee, with a minimum of 6 Governors on each committee Governors are also assigned specific areas of focus aligned to the management and administration of the Academy Trust, or specific teaching department links

The Governing Body Committees operate in accordance with documented terms of reference The terms of reference for the Learning and Community Committee is to help formulate, approve and evaluate the achievement of the Community & Learning sections of the College Improvement Plan The terms of reference for the Strategy & Finance Committee is to formulate policy, review and interrogate financial reports, approve College budgets, approve financial statements for Companies House, receive the audit report, determine capital expenditure plans, and review and make recommendations on IT, catering, health & safety and maintenance of premises

The Senior Management Team comprises the Principal, a Deputy Head, four Assistant Principals and the Director of Finance and Operations who together have the executive responsibility for implementing the Governors policies and delivering on the Objects of the Articles of Association The Deputy Head leads on the delivery of the curriculum, supported by two of the four Assistant Principals , one Assistant Principal leads on pastoral care and one is Head of the Sixth Form The Director of Finance and Operations leads Finance, Information Technology, Facilities Management, Catering and Administration In accordance with the Academy Financial Handbook, the Governors appointed the Principal as the Accounting Officer and the Director of Finance and Operations as the Principal Finance Officer

Risk Management

The Governors use the Risk Register as defined in the Academy Financial Handbook to evaluate strategic and reputational, operational, compliance, and financial risks to which the Academy Trust is exposed and have ensured that the management structure, systems and controls are in place to manage this risks, as well as insurance to cover financial loss and legal exposure

The Governors have also self-assessed financial and governance arrangements by completing the Academies Financial Management and Governance Evaluation which was submitted to the Young People's Learning Agency during the period, and are satisfied with the overall assessment of good-outstanding

The Governing Body ensure regular review of risks through the reporting provided by the Senior Management Team to the aforementioned Governing Body Committees The Strategy and Finance Committee and the Learning and Community Committee each meet twice each term, and report to the Full Governing Body once each term

Kingsbridge Academy

Governors' Report

Period Ended 31 August 2011

Connected Organisations, including Related Party Relationships

The Academy Trust has been designated a National Teaching School entitling it to lead the training and professional development for staff. As a National Teaching School, Kingsbridge will work with Ivybridge Community College and the University of Exeter to lead an alliance of secondary, primary and special schools in the South West in order to raise standards for all students. Teaching Schools will help to develop new approaches to initial teacher training, promote professional development for staff, nurture future school leaders and help support schools that are in challenging circumstances.

The Academy Trust is a member of Challenge Partners, which is an organisation of schools which works collaboratively to raise standards for all pupils in member schools, currently 60 in number spanning primary and secondary schools. The Principal of the Academy Trust is a Senior Partner of Challenge Partners, and as such represents the views of the regional hub, defining strategy and monitoring progress against Challenge Partner objectives.

Objectives and Activities

Objects and Aims

The principal object and activity of the charitable company is the operation of Kingsbridge Community College to provide education for pupils of different abilities between the ages of 11 and 19, with an emphasis on maths, science and the performing arts.

In accordance with the articles of association the Academy Trust's object is restricted to the following to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

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

- to establish, maintain, carry on, manage and develop the Academy
- to establish or support, whether financially or otherwise, any charitable trusts, associations or institutions formed for all or any of the Object
- to cooperate with other charities, other independent and maintained schools, voluntary bodies and statutory bodies operating in the furtherance of the Object and to exchange information and advice with them
- to provide educational facilities and services to students of all ages and the wider community for the public benefit
- to carry out research into the development and application of new techniques in education in particular in relation to the areas of curricular specialisation of the Academy and to its approach to curriculum development and delivery and to publish the results of such research, and to develop means of benefiting from application of the experience of industry, commerce, other schools and the voluntary sector to the education of pupils in academies

Objectives, Strategies and Activities

The Academy's main strategic goal is to ensure that our students are excited by their learning in the classroom and beyond, committed to achieving their very best and confident about their futures. This strategic goal is supported by the Kingsbridge Learning model which aims to deliver students who are aspirational, creative, resilient, reflective, confident, responsible, dynamic, inclusive and global. To this end the activities provided include:

- tuition and learning opportunities for all students to attain appropriate academic qualifications,
- extra-curricular learning programmes to support students needing extra tuition
- a structure programme of continuous professional development for teaching staff

Kingsbridge Academy

Governors' Report

Period Ended 31 August 2011

- a programme of sporting and after school activities for all students
- a programme of residential and daily activities, including overseas trips
- targeted individual student support
- continued development of the Kingsbridge Learning model
- significant investment in IT to support a strategy of increasing accessibility for all students

Public Benefit

The Governors have ensured through review and monitoring of the activities of the Academy Trust that the primary objective of the Academy Trust to provide education for the public benefit has been met

Achievements and Performance

The Academy Trust was incorporated in 25th November 2010, as one of the first outstanding Colleges offered the opportunity to attain academy status by the Secretary of State for Education

The Academy Trust has continued to build on the success of the College, with exceptional exam results being delivered at the end of the first period of operation GCSE results exceeded targets with 95.5% of students gaining 5 A*-C grades, the highest percentage of any school in Devon, Over 70% of students achieved at least 5 A* - C grades including Maths and English

A level results also exceeded previous success rates 126 students took A Levels with 63% at the top A*/A/B levels, improving on our previous best by over 5% 10% of all grades were at the very challenging A* level and nearly a third of all entries were at A* and A The overall pass rate was 99.4%

To ensure that standards are continually raised, in addition to the Principal's position as a Senior Consultant of the National College for School Leadership, the designation as a Teaching School and the leadership role the Academy Trust plays with Challenge Partners, will along with continued investment in continuous professional development of all staff combine to deliver this strategic goal

Going Concern

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

Key Financial Performance Indicators

The key financial performance indicator for the Academy Trust is the adherence to the financial budget set at the beginning of the year Excluding any generated funds, all income for the Academy is Government or Local Authority funded and therefore the income of the Academy is largely a given

An expenditure budget is set at the beginning of the year, taking into consideration the level of Government funding The Governors have reviewed detailed capital and revenue expenditure reports compared to expenditure budgets, which confirms that the processes and procedures in place for controlling expenditure are acceptable The carried forward General Annual Grant is within acceptable parameters

Kingsbridge Academy

Governors' Report

Period Ended 31 August 2011

Financial Review

The Academy held fund balances at 31 August 2011 of £24,009,000 comprising £24,244,000 of restricted funds, £465,000 of unrestricted funds and a pension reserve deficit on the Local Government Pension Scheme of £884,000. The Academy has a positive General Annual Grant carry forward of £84,000.

In accordance with the Funding Agreement, the principal source of general funding with which to finance the operations of the Academy Trust, is the Department for Education. £166,000 of general funding was spent on capital items.

As this is the first year of operation, £24,292,000 of fixed assets previously owned by the Local Authority have been gifted to the Academy Trust, which is included in incoming resources in this financial period. Included in these fixed assets is a value of £24,190,000 relating to the freehold of the land and buildings used by the Academy Trust. In addition to the gifted assets, the Academy Trust spent £447,000 on fixed assets, primarily invested in the essential refurbishment of the catering facilities and the upgrade of the Academy's IT infrastructure. The expenditure on the IT infrastructure is directly linked with the Kingsbridge Learning strategy, an important strand of which is e-learning.

Of the £465,000 unrestricted funds, £418,000 was gifted from Kingsbridge Community College, representing unspent revenue funds at the point the College closed 31 December 2011. Aside from the amount held as a reserve, the balance of these funds will support the future plans of the Academy Trust.

The principal risk facing the Academy Trust is the future level of Government Funding. This risk is managed by careful control over budgeted expenditure which ensures that a deficit does not arise for the year, combined with a prudent reserves policy. The Governors have also self-assessed financial and governance arrangements by completing the Academies Financial Management and Governance Evaluation which was submitted to the Young People's Learning Agency during the period, and are satisfied with the overall assessment of good-outstanding.

Reserves Policy

A reserve of £200,000 is held within the unrestricted funds to provide protection against unforeseen financial risk. Free reserves of £265,000 are being held to support future capital expenditure, a number of expenditure options are being considered, including the development of the sports facilities at the College. Evaluation of options will be considered by the Governing Body in the next financial period.

Plans for Future Periods

The Academy will continue to build on the outstanding exam results of the current period, ensuring that all students are offered every opportunity to achieve 5 A* - C GCSEs including Maths and English, and that the College continues to raise results through partnerships with other schools. To this end, the development of the teaching schools alliance is a high priority.

In addition, a focus on developing sporting excellence supported by the development of a new playing field and floodlights on the existing all weather pitch, will directly benefit the students and the wider community.

Kingsbridge Academy

Governors' Report

Period Ended 31 August 2011

Auditor

In so far as the governors are aware

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

Approved by order of the members of the Governing Body on 13th December 2011 and signed on its behalf by



David Arnold

Kingsbridge Academy

Statement on Internal Control

Period Ended 31 August 2011

Scope of Responsibility

As governors, we acknowledge we have overall responsibility for ensuring that Kingsbridge Academy 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 Governing Body has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Kingsbridge Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives, it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Kingsbridge Academy Trust for the period ended 31 August 2011 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

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

The Risk and Control Framework

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

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

Kingsbridge Academy

Statement on Internal Control *(continued)*

Period Ended 31 August 2011

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. In accordance with advice from the Young People's Learning Agency, during this reporting period the Governing body have appointed N Grodhunce (one of the Governors) as Responsible Officer. The RO's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. Since the appointment month the Responsible Officer has met regularly with the Director of Finance and Operations as new systems and procedures have been developed, and has performed a specific review of the annual management accounts.

Review of Effectiveness

As Accounting Officer, the Principal, who also serves on the Strategy and Finance Committee, has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by

- regular update meetings with the Director of Finance & Operations, including detailed review during the set up of academy systems, setting of budgets, and detailed review of management information,
- attendance of all the Strategy & Finance Committee meetings
- the financial management and governance self assessment process,

Approved by order of the members of the Governing Body on 13th December 2011 and signed on its behalf by



David Arnold
Chair



Roger Pope
Accounting Officer

Kingsbridge Academy

Statement of Governors' Responsibilities

Period Ended 31 August 2011

The governors (who act as trustees for charitable activities of Kingsbridge Academy and are also the directors of the Charitable Company for the purposes of company law) are responsible for preparing the governors' report and the financial statements in accordance with the Annual Accounts Requirements issued by the Young People's Learning Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations

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

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgments and 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 governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by order of the members of the Governing Body on 13th December 2011 and signed on its behalf by



David Arnold
Chair

Kingsbridge Academy

Independent Auditor's Report to the Members of Kingsbridge Academy

Period Ended 31 August 2011

We have audited the financial statements of Kingsbridge Academy for the period ended 31 August 2011 which comprise the Statement of Financial Activities, the Balance Sheet, Cash Flow Statement and the related notes. 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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinion we have formed.

Respective Responsibilities of Governors and Auditors

As explained more fully in the Governors' Responsibilities Statement set out on page 10 and 11, the Governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' 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

In our opinion the financial statements

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

Opinion on other matters prescribed by the Academy's Funding Agreement with the Secretary of State for Education

Grants made by the Young People's Learning Agency have been applied for the purposes intended.

Kingsbridge Academy

Independent Auditor's Report to the Members of Kingsbridge Academy

Period Ended 31 August 2011

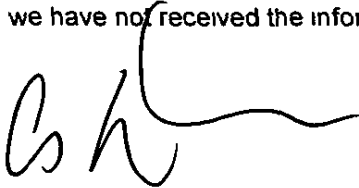
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given by the Governors' Annual Report for the financial period for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

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

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



C D Evans (Senior Statutory Auditor)
For and on behalf of
FRANCIS CLARK LLP
Chartered Accountants and Statutory Auditor
North Quay House
Plymouth
PL4 0RA

15 Dec 2011

Chartered Accountants and Statutory Auditor

Kingsbridge Academy

Statement of Financial Activities for the period ended 31 August 2011

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

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2011 £000
Incoming resources					
<i>Incoming resources from generated funds</i>					
Voluntary income	3	419	145	24,546	25,110
Activities for generating funds	4	288	13	-	301
Investment income	5	2	-	-	2
<i>Incoming resources from charitable activities</i>					
Funding for the Academy's educational operations	6	-	4,777	27	4,804
Total incoming resources		709	4,935	24,573	30,217
Resources expended					
<i>Cost of generating funds</i>					
Costs of generating voluntary income		-	58	-	58
<i>Charitable activities</i>					
Academy's educational operations	8	267	4,537	495	5,299
Governance costs	9	-	9	-	9
Total resources expended	7	267	4,604	495	5,366
Net incoming / (outgoing) resources before transfers		442	331	24,078	24,851
Gross transfers between funds	17	23	(189)	166	-
Net income/(expenditure) for the year		465	142	24,244	24,851
Other recognised gains and losses					
Brought forward defined benefit pension scheme liability	26	-	(873)	-	(873)
Actuarial (losses) gains on defined benefit pension schemes	17,26	-	31	-	31
Net movement in funds		465	(700)	24,244	24,009
Reconciliation of funds					
Funds brought forward at 1 January 2011		-	-	-	-
Funds carried forward at 31 August 2011		465	(700)	24,244	24,009

All of the Academy's activities derive from continuing operations in the period

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

Kingsbridge Academy

Balance Sheet as at 31 August 2011

	Notes	2011 £000	2011 £000
Fixed assets			
Tangible assets	13		24,244
Current assets			
Stock	14	22	
Debtors	15	372	
Cash at bank and in hand		1,289	
		<u>1,683</u>	
Creditors: Amounts falling due within one year	16	1,034	
Net current assets			<u>649</u>
Total assets less current liabilities			<u>24,893</u>
Net assets excluding pension liability			24,893
Pension scheme liability	26		<u>(884)</u>
Net assets including pension liability			<u>24,009</u>
Funds of the academy:			
Restricted funds			
Fixed asset funds	17		24,244
General funds	17		184
Pension Reserve	17		<u>(884)</u>
Total restricted funds			<u>23,544</u>
Unrestricted funds			
General funds	17		465
Total unrestricted funds			<u>465</u>
Total funds			<u>24,009</u>

The financial statements on pages 12 to 32 were approved by the Governors, and authorised for issue on 13th December 2011 and are signed on their behalf by



David Arnold

Chair

COMPANY REGISTRATION NUMBER 7451553

Kingsbridge Academy

Cash Flow Statement for the period ended 31 August 2011

	Notes	2011 £000
Net cash inflow from operating activities	20	1,453
Returns on investments and servicing of finance	21	2
Capital expenditure (net of grants)	22	(166)
(Decrease)/Increase in cash in the year	23	<u>1,289</u>
Reconciliation of net cash flow to movement in net funds		
Net funds at 1 January 2011		-
Net funds at 31 August 2011		<u>1,289</u>

Kingsbridge Academy

Notes to the Financial Statements for the period ended 31 August 2011

1. Statement of Accounting Policies

Basis of Preparation

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

Going Concern

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

Incoming Resources

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

- **Grants receivable**

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

- **Sponsorship income**

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

- **Donations**

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

- **Other income**

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

- **Donated assets**

The freehold of the property at which the academy operates has been provided by the Local Authority (Devon County Council). The value of this property (at depreciated replacement cost) has been included in the Statement of Financial Activities as a donation in the restricted fixed asset fund. Fixtures, fittings and plant transferred at nil cost have also been accounted for in this way (at market value). The amounts are included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with Academy Trust's policies.

Kingsbridge Academy

Notes to the Financial Statements for the period ended 31 August 2011

1. Statement of Accounting Policies (continued)

Resources Expended

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

- **Costs of generating funds**

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

- **Charitable activities**

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

- **Governance Costs**

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

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 so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

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

Computer equipment	20%
Plant and equipment	33%
Fixtures and fittings	25%

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.

Stock

Stocks of catering provisions and stationary are valued at cost.

Kingsbridge Academy

Notes to the Financial Statements for the period ended 31 August 2011

1. Statement of Accounting Policies (continued)

Taxation

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

Pensions Benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Academy Trust. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 27, the TPS is a multi employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

Fund Accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Young People's Learning Agency and 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 Young People's Learning Agency.

Kingsbridge Academy

Notes to the Financial Statements for the period ended 31 August 2011

2 General Annual Grant (GAG)

a. Results and Carry Forward for the Year

	2011 £000
GAG brought forward from previous year	-
GAG allocation for current year	4,341
Total GAG available to spend	4,341
Recurrent expenditure from GAG	(4,068)
Fixed assets purchased from GAG	(166)
Transfer from unrestricted fund	(23)
GAG carried forward to next year	84
Maximum permitted GAG carry forward at end of current year (12% of allocation for current year)	(521)
GAG to surrender to DfE	(437)
(12% rule breached if result is positive)	No breach

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

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

Recurrent expenditure from GAG in current year
GAG allocation for current year
GAG allocation for previous year x 2%
GAG b/fwd from previous year in excess of 2%, used on recurrent expenditure in current year

(2% rule breached if result is positive)

No breach

3 Voluntary Income

	Unrestricted Funds £000	Restricted Funds £000	Total 2011 £000
Donations – Capital – assets gifted from Local Authority	-	24,292	24,292
Other donations	418	254	672
Other funds	1	145	146
	419	24,691	25,110

4 Activities for Generating Funds

Educational lecturing	24	-	24
Letting income	5	-	5
Miscellaneous income	15	-	15
Catering income	244	-	244
Student contributions	-	13	13
	288	13	301

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Notes to the Financial Statements for the period ended 31 August 2011

5 Investment Income

	Unrestricted Funds £000	Restricted Funds £000	Total 2011 £000
Interest on short term deposits	2	-	2
	<u>2</u>	<u>-</u>	<u>2</u>

6 Funding for Academy's educational operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2011 £000
DfE/YPLA capital grant			
Devolved Formula Capital allocations	-	27	27
Other capital funds	-	-	-
Academy main building grants	-	-	-
	<u>-</u>	<u>27</u>	<u>27</u>
DfE / YPLA revenue grants			
General Annual Grant (GAG) (note 2)	-	4,341	4,341
Other DfE / YPLA grants	-	47	47
	<u>-</u>	<u>4,388</u>	<u>4,388</u>
Other Government grants			
School Standards Funds	-	238	238
SEN from LA	-	151	151
	<u>-</u>	<u>389</u>	<u>389</u>
	<u>-</u>	<u>4,804</u>	<u>4,804</u>

Notes to the Financial Statements for the period ended 31 August 2011

Resources Expended	Staff Costs	Non Pay Expenditure	Other Costs	Total 2011
	£000	Premises £000	£000	£000
Costs of generating voluntary income	-	-	58	58
Costs of activities for generating funds	-	-	-	-
Academy's educational operations				
Direct costs	3,114	-	415	3,529
Allocated support costs	448	680	635	1,763
Redundancy costs	7	-	-	7
	<u>3,569</u>	<u>680</u>	<u>1,108</u>	<u>5,357</u>
Governance costs including allocated support costs	1	-	8	9
	<u>3,570</u>	<u>680</u>	<u>1,116</u>	<u>5,366</u>

2011
£000

6.

Kingsbridge Academy

Notes to the Financial Statements for the period ended 31 August 2011

8 Charitable Activities - Academy's educational operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2011 £000
Direct costs			
Teaching and educational support staff costs	-	3,121	3,121
Educational supplies	-	102	102
Examination fees	-	123	123
Staff development	-	15	15
Educational consultancy	-	17	17
Other direct costs	-	158	158
	-	3,536	3,536

Allocated support costs

Support staff costs	105	327	432
FRS17 current service cost adjustment	-	16	16
Depreciation	-	495	495
Recruitment and support	-	21	21
Maintenance of premises and equipment	6	95	101
Cleaning	-	84	84
Rent & rates	-	93	93
Insurance	-	33	33
Security and transport	-	10	10
Catering	151	-	151
Irrecoverable VAT	5	46	51
FRS17 Pension finance costs	-	26	26
Other support costs	-	250	250
	267	1,496	1,763
	267	5,032	5,299

9 Governance costs

	Unrestricted Funds £000	Restricted Funds £000	Total 2011 £000
Legal and professional fees	-	1	1
Auditor's remuneration			
Audit of financial statements	-	6	6
Support costs	-	1	1
Governor training	-	1	1
	-	9	9

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Notes to the Financial Statements for the period ended 31 August 2011

10 Staff costs

Staff costs during the period were	2011 £000
Wages and salaries	3,321
Social security costs	68
Pension costs	131
	3,520
Supply teacher costs	42
Redundancy costs	7
	3,569

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

	2011 No.
Charitable Activities	
Teachers	82
Education support	41
Administration and support	32
Management	7
	162

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

	2011 No.
£60,001 - £70,000	-
£70,001 - £80,000	-
£80,001 - £90,000	1
£90,001 - £100,000	-

The above employee (1) participated in the Teachers' Pension Scheme. During the period ended 31 August 2011, pension contributions for this employee staff amounted to £12,374

11 Governors' remuneration and expenses

Principal and staff governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as governors. Other governors did not receive any payments, other than expenses, from the Academy in respect of their role as governors. The aggregate of the Principal's and staff Governor's remuneration during the period to 31 August 2011 was £ 112,923 in 2011. Governors do not make claims for expenses. There are no related party transactions involving the Governors.

Kingsbridge Academy

Notes to the Financial Statements for the period ended 31 August 2011

12 Governors' and Officers' Insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31 August 2011 was £1,600. The cost of this insurance is included in the total insurance cost.

13 Tangible Fixed Assets

	Leasehold Land and Buildings £000	Computer Equipment £000	Plant & Equipment £000	Fixture & Fittings £000	Total £000
Cost					
Additions	24,300	318	102	19	24,739
Transfers	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 August 2011	24,300	318	102	19	24,739
Depreciation					
Charged in year	447	44	3	1	495
Disposals	-	-	-	-	-
At 31 August 2011	447	44	3	1	495
Net book values					
At 31 August 2011	23,853	274	99	18	24,244

14 Stock

	2011 £000
Stationery Supplies	19
Catering Supplies	3
Total Stock	22

15 Debtors

	2011 £000
Trade debtors	7
Prepayments	193
Other debtors	16
Grant and other income	16
VAT recoverable	140
	372

Kingsbridge Academy

Notes to the Financial Statements for the period ended 31 August 2011

16 Creditors: amounts falling due within one year

	2011
	£000
Trade creditors	439
Other taxation and social security	108
Other creditors	130
Accruals and deferred income	244
Capital expenditure	113
	<u>1,034</u>

Deferred income

	2011
	£000
Resources deferred in the year	35
Amounts released from previous years	-
Deferred Income at 31 August 2011	<u>35</u>

Deferred Income includes Local Authority funding for special needs students, Pupil Premium and Government grant for insurance, totalling £22,000 received in advance of the financial year commencing 1 September 2011. In addition £12,000 has been received from local primary schools paid in advance for Physical Education support from teaching staff at the Academy.

Kingsbridge Academy

Notes to the Financial Statements for the period ended 31 August 2011

17 Funds

	Balance at 1 January 2011 £000	Incoming Resources £000	Resources Expended £000	Gains, Losses and Transfers £000	Balance at 31 August 2011 £000
Restricted general funds					
General Annual Grant (GAG)	-	4,341	(4,068)	(189)	84
Other DfE/YPLA grants	-	47	(47)	-	-
LEA and other grants	-	389	(389)	-	-
Other General Funds	-	13	-	-	13
Voluntary Income	-	145	(58)	-	87
	-	4,935	(4,562)	(189)	184
Pension Fund Reserve	(873)	-	(42)	31	(884)
Restricted fixed asset funds					
DfE/YPLA capital grants	-	281	(8)	166	439
Assets gifted from the Local Authority	-	24,292	(487)	-	23,805
	-	24,573	(495)	166	24,244
Total restricted funds	(873)	29,508	(5,099)	8	23,544
Unrestricted funds					
Unrestricted funds	-	709	(267)	23	465
Total unrestricted funds	-	709	(267)	23	465
Total funds	(873)	30,217	(5,366)	31	24,009

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

Restricted General Funds

The General Annual Grant is applied in strict accordance with the terms of the Model Fund Agreement executed on the 20th December 2010, which prescribes that this funding is used to cover the normal running costs of the Academy

Other DfE and YPLA Grants includes i) the Pupil Premium which is used by the Academy to raise attainment in pupils from low income families, and ii) a reimbursement of insurance costs for the period

LEA and other grants includes i) £238,000 of grants from Devon County Council and the YPLA also used in accordance with the Model Funding Agreement, and ii) £151,000 funding from Devon County Council to support specific provisions for pupils with special educational needs

Other General Funds represents contributions from students

The Voluntary Income Fund is the aggregation of specific grants, funds and club monies, for which the application is restricted, but which is not restricted by the Model Fund Agreement

The Pension Fund Reserve deficit represents the net shortfall in funds in the Local Government Pension Scheme in relation to employees past and present

The DfE and YPLA capital grants represents funding specifically provided to support capital expenditures on fixed assets. Assets "Gifted from the Local Authority" is the value of buildings and other assets transferred from the Local Authority to the Academy on the 1st January 2011

Kingsbridge Academy

Notes to the Financial Statements for the period ended 31 August 2011

Unrestricted Funds

Unrestricted Funds can be applied at the discretion of the Governing Body £418,000 was donated to the Academy by College which existed before its formation, the balance of funds generated during the year from the rental of academy premises to community groups and fees for consultancy to other educational institutions

Transfers

The net transfer from the General Annual Grant to the Restricted Fixed Asset fund and the Unrestricted Fund represents expenditure from this fund on fixed assets and catering services, offset by a transfer from the Pension Fund to cover financing and service costs included in the allocated support costs

18 Analysis of net assets between funds

Fund balances at 31 August 2011 are represented by

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£000	£000	£000	£000
Tangible fixed assets	-	-	24,244	24,244
Current assets	465	1,218	-	1,683
Current liabilities	-	(1,034)	-	(1,034)
Pension scheme liability	-	(884)	-	(884)
Total net assets	465	(700)	24,244	24,009

19 Capital commitments

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

Kingsbridge Academy

Notes to the Financial Statements for the period ended 31 August 2011

			2011 £000
20	Reconciliation of net income to net cash inflow from operating activities		
	Net income		24,851
	Depreciation (note 13)		495
	(Loss)/profit on disposal of tangible fixed assets		-
	Capital grants from DfE and other capital income		(24,573)
	Interest receivable (note 5)		(2)
	FRS 17 net pension cost/profit less contributions payable (note 26)		42
	(Increase)/decrease in stocks		(22)
	(Increase)/decrease in debtors		(372)
	Increase/(decrease) in creditors		1,034
	Net cash inflow from operating activities		1,453
21	Returns on investments and servicing of finance		
	Interest received		2
	Net cash inflow from returns on investment and servicing of finance		2
22	Capital expenditure and financial investment		
	Purchase of tangible fixed assets		(447)
	Capital grants from DfE/YPLA		27
	Capital funding received from local authority and others		24,546
	Receipts from sale of tangible fixed assets		-
	Assets Gifted by the Local Authority		(24,292)
	Net cash outflow from capital expenditure and financial investment		(166)
23	Analysis of changes in net funds	At 1 September 2010	Cash flows
	Cash in hand and at bank	-	1,289
		-	1,289

24 Contingent Liabilities

There are no contingent liabilities

25 Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member

Kingsbridge Academy

Notes to the Financial Statements for the period ended 31 August 2011

26 Pension and similar obligations

The Academy's employees belong to two principal pension schemes the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Devon Pension Services Both are defined-benefit schemes

The pension costs are assessed in accordance with the advice of independent qualified actuaries The latest actuarial valuation of the TPS was 31 March 2004 and of the LGPS 31 August 2011

Contributions amounting to £69,000 were payable to the schemes at 31 August and are included within creditors

Teachers' Pension Scheme

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

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

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

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multiemployer pension scheme The Academy is unable to identify its share of the underlying assets and liabilities of the scheme

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

Kingsbridge Academy

Notes to the Financial Statements for the period ended 31 August 2011

26 Pension and similar obligations (continued)

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2011 was £114,691, of which employer's contributions totalled £87,543 and employees' contributions totalled £27,148. The agreed contribution rates for future years are 19.7% per cent for employers and variable per cent for employees.

Principal Actuarial Assumptions

	At 31 August 2011	At 1 January 2011
Rate of increase in salaries	4.9%	5.0%
Rate of increase for pensions in payment / inflation	2.6%	3.0%
Discount rate for scheme liabilities	5.4%	5.4%
Inflation assumption (CPI)	2.6%	3.0%
Commutation of pensions to lump sums		

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

	At 31 August 2011
<i>Retiring today</i>	
Males	20.3
Females	24.4
<i>Retiring in 20 years</i>	
Males	22.4
Females	26.3

Kingsbridge Academy

Notes to the Financial Statements for the period ended 31 August 2011

26 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	Expected return at 31 August 2011	Fair value at 31 August 2011 £000	Expected return at 1 January 2011	Fair value at 1 January 2011 £000
Equities	7.3%	447	7.7%	385
Gilts	3.8%	127	4.2%	60
Other bonds	5.4%	-	5.4%	27
Property	6.3%	40	6.2%	27
Cash	3.0%	47	3.0%	38
Other assets		7		5
Total market value of assets		668		542
Present value of scheme liabilities				
- Funded		(1,552)		(1,415)
Surplus/(deficit) in the scheme		(884)		(873)

The expected return on assets is based on the long-term future expected investment return for each asset class at the beginning of the period (i.e. as at 1 January for the period to 31 August 2011). The returns on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an adjustment to reflect default risk) respectively at the relevant date. The returns on equities and property are then assumed to be a margin above gilt yields.

The actual return on scheme assets was £25,000.

Amounts recognised in the statement of financial activities

	2011 £000
Current service cost (net of employee contributions)	104
Past service cost	-
Losses on curtailments and settlements	-
Total operating charge	104

Analysis of pension finance income / (costs)

Expected return on pension scheme assets	26
Interest on pension liabilities	(52)
Pension finance income / (costs)	(26)

Kingsbridge Academy

Notes to the Financial Statements for the period ended 31 August 2011

26 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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 £31,000 profit.

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

	2011
	£000
At 1 January	1,415
Current service cost	104
Interest cost	52
Employee contributions	27
Actuarial (gain)/loss	(32)
Benefits paid	(14)
Past Service cost	-
Curtailments and settlements	-
At 31 August	1,552

Kingsbridge Academy

Notes to the Financial Statements for the period ended 31 August 2011

26 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	2011 £'000
At 1 January	542
Expected return on assets	26
Actuarial gain/(loss)	(1)
Employer contributions	88
Employee contributions	27
Benefits paid	(14)
At 31 August	668

The estimated value of employer contributions for the year ended 31 August 2012 is £133,000

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

	2011 £'000	2010 £'000
Present value of defined benefit obligations	1,552	1,415
Fair value of share of scheme assets	668	542
Deficit in the scheme	884	873
Experience adjustments on share of scheme assets		
Amount £'000	-	-
Experience adjustments on scheme liabilities:		
Amount £'000	-	-

27 Related Party Transactions

There are no related party transactions for the eight month period ending 31 August 2011