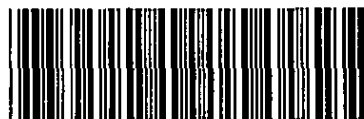


**Weydon School**  
(A company limited by guarantee)  
**Annual Report and Financial Statements**  
for the 12 month period ended  
31 August 2013

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COMPANIES HOUSE

Company Registration No 07552535

# Weydon School

## Governors' Report

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### Governors (Trustees)

A J Adam  
C J Booth  
S Bowden (resigned 14 October 2012)  
P G Brinsden  
A J Clark  
J Cheyne (appointed 3 December 2012)  
J Crocker (appointed 19 November 2012)  
M J Field  
D W Gale  
B J Hurn  
J K Impey  
R Johnson (appointed 3 December 2012)  
K Lawrence (appointed 19 November 2012)  
S P Keogh (resigned 14 October 2012)  
R K Lee  
C A Lennard  
J Mason  
N D Pow  
A Reading  
S Rees  
J N Spackman (resigned 18 April 2013)  
R L Swan  
A J Webber  
J Winter

### Company Secretary

N L Jex

### Leadership Team

- Headteacher	John Winter
- Deputy Headteacher	Neil Butcher
- Deputy Headteacher	Jackie Sharman
- Deputy Headteacher	Stuart Maginnis
- Deputy Headteacher	Mark Sharman
- Assistant Headteacher	Justin Coad
- Assistant Headteacher	Matt Venton
- Director of Business & Finance	Gill Wrobel

### Registered Office

Weydon School  
Weydon Lane  
Farnham  
Surrey  
GU9 8UG

### Company Registration Number

07552535 (England and Wales)

### Independent Auditor

Baker Tilly UK Audit LLP  
Springpark House  
Basing View  
Basingstoke  
Hampshire  
RG21 4HG

# Weydon School

## Governors' Report (continued)

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### Bankers

HSBC  
33 The Borough  
Farnham  
Surrey  
GU9 7NJ

### Solicitors

Dawson Mason & Carr  
The Old Hop Kiln  
1 Long Garden Walk  
Farnham  
Surrey  
GU9 7HX

# Weydon School

## Governors' Report (continued)

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The Governors present their annual report together with the financial statements and auditors' report of the charitable company for the 12 month period ended 31 August 2013

The company was incorporated on 4 March 2011 and the school converted to an academy on 1 April 2011

### Structure, Governance and Management

#### Constitution

The Academy Trust is a company limited by guarantee (Company number 07552535) 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 Weydon School Academy Trust Limited and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Weydon School Academy.

Details of the Governors who served throughout the year except as noted are included in the Reference and Administrative Details on page 2.

#### 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 £10,000, for the debts and liabilities contracted before they ceased to be a member.

#### Governors' indemnities

Governors' liability insurance is within the Advantage Policy procured via Marsh and it is underwritten by Ecclesiastical Insurance Office. The limit is £10,000,000.

#### Principal activities

The Academy Trust's objects are specifically restricted to advancing for the public benefit education in the UK, particularly by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

Our prime purpose is the desire that every student is inspired to achieve excellence. Every student will make outstanding progress over 5 years and achieve high standards in all aspects of school life. The ethos of the academy encourages leadership and promotes partnerships which enables lifelong friendships to become established. Everyone involved in Weydon School Academy is expected to have a relentless focus on improvement seeking creative and innovative solutions to enable Weydon School Academy students to become World Class learners.

#### Method of recruitment and appointment or election of Governors

Articles 45 to 81 provide for the arrangements for nominating and appointment of Governors. In principle the Governing Body (GB) will always seek to have a mixture of relevant skills, which will allow them to perform their duties. In addition the School and GB encourage parents to stand for the role of parent Governor.

#### Policies and procedures adopted for the induction and training of Governors

New Governors are required to attend the training sessions provided by Governor Services at Babcock 4S. New Governors also receive an induction pack from Babcock 4S and our own specific pack, including meeting schedules and key policies and documents.

All new Governors are offered the chance of attending all governor meetings (i.e. Main GB (MGB) and Committees) in their first year and after which they are expected to attend MGB meetings and join at least one Committee. Ongoing training is recommended to all Governors and is managed and promoted by a Link Governor for Training.

# Weydon School

## Governors' Report (continued)

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### Organisational structure

MGB consists of all Governors including the Headteacher and agrees the School strategic direction and operational objectives and targets at a strategy meeting that takes place each September. This meeting is also attended by the school Leadership Team (LT).

Currently objectives are focused in 5 designated areas

- workforce,
- ethos,
- progress and achievement,
- value for money,
- partnerships

Once objectives are agreed the School LT formalise plans of actions, achievements, resources, time scales and monitoring, performance measures (KPIs) against the stated aims in each area. These are then broken down by each Curriculum Area within the School and this becomes the School Development Plan (SDP).

During the year the LT monitor Curriculum/Year Groups and individual performance against the objectives and KPIs set within the SDP and report regularly to the MGB and each relevant Committee, designated as Health and Safety, Finance and Curriculum and Staffing.

The agendas of all governor meetings are planned 12 months in advance to ensure that a review of all objectives takes place.

A final review of previous year's performance takes place at the start of the next cycle of meetings at the strategy review in the subsequent year.

### Risk Management

The Governors have assessed the major risks to which Weydon School (Academy) is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The Governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas, for example teaching, health and safety, bullying and school trips and also relating to the control of finance. They have introduced robust systems, including operational procedures (e.g. vetting of new staff (DBS checks) and visitors, supervision of school grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

Weydon School (Academy) has an effective system of internal financial controls and this is explained in more detail in the Statement of Internal Control which is signed by the Chair of Governors and the Accounting Officer.

### Connected organisations, including related party relationships

Weydon school was awarded Teaching School status in April 2012. It has formed an alliance with 10 other educational providers including Universities. It has gained 42 Schools Direct places for September 2013.

TFN (Education) is a Limited company formed by 4 secondary schools and currently is providing hands on Respite Education and raising standards of 14-19 Education in the Farnham area. Weydon chairs the organisation.

Weydon is also a member of the Surrey Academies Group, the Headteacher chairs this forum.

Weydon School (Academy) has links with Partner Ghana which is a part of Sabre Charitable Trust. Through this partnership we have a link to Dwabor Municipal Academy School in the KEEA District of Ghana. We have Teacher Exchanges which are funded by a Reciprocal Teacher Grant gained from the British Council. We are hoping to gain a British Council Connecting Classrooms Grant to continue this work. The link grew out of Duke of Edinburgh and previous international expeditions.

# Weydon School

## Governors' Report (continued)

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We have regular student visits to Dwabor which include about 50 students. These visits support the Teaching & Learning and infrastructure of not only the school but also the whole community. Dwabor links to our Community Cohesion programme as well as being our International Link.

Weydon School (Academy) is part of the Fearnhamme Confederation which covers the area to the south of Farnham and includes secondary, primary and special schools. They collaborate in partnership with other agencies on educational issues and training.

### **Objectives and Activities**

#### Objects and aims

The Academy has a rigorous process for setting objectives and monitoring against them. Set out below is an outline of the process used and how this translates into the detail of school's activities.

#### ***The process:***

1. Strategic direction of the school - formal review each year,
2. Yearly operational aims and objectives - agreed annually,
3. Performance targets - set annually,
4. Strategies for the achievement of each operational objective translated into action plans for staff members. There are 5 areas: teacher priorities/tutor priorities/associate staff priorities/ Leadership Team (LT) priorities/ curriculum development. All of these then form the School Development Plan (SDP),
5. Ongoing review by LT and Governors' Committees,
6. Annual review of achievement at September Strategic Planning meeting.

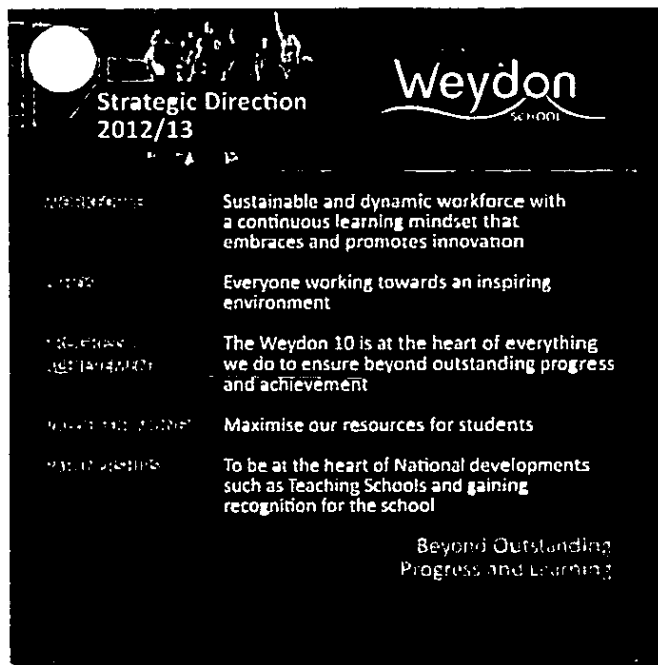
# Weydon School

## Governors' Report (continued)

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### *How the process works.*

#### *1 Strategic direction of the school set in September 2012*



#### *2 Yearly operational aims and objectives for 2012/13*

##### **Achievement**

- Narrow the achievement gap for the following groups
  - Raise the middle at KS3,
  - Those on School Action Plus/L3 on entry at KS2,
  - To ensure A\*-A students are stretched and challenged throughout the school,
  - Offsite provision students at KS4

##### **Quality of Teaching – Focus within Weydon 10**

- Use the Weydon 10 to ensure Assessment for Learning techniques are used consistently by all staff,
- Use the Weydon 10 to ensure that reading, writing, communication skills and maths skills are taught and assessed consistently across the whole school,
- Use the Weydon 10 to ensure all Homestudy and feedback impacts on learning,
- Use the Weydon 10 through the Virtual Learning Environment to establish autonomous learning in every curriculum area

# Weydon School

## Governors' Report (continued)

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### Behaviour

- To revamp the school behaviour system to ensure consistency of approach and clear guidelines for withdrawal using principles of SEN review and the Equality Act with particular reference a proactive position to education about bullying (cyber, racial),
- To design and establish a SMCS passport in conjunction with the Weydon passport

### Leadership and Management

- To embed a new Leadership Team (LT) structure,
- To further Middle Leader capacity to drive in school standards and reduce in-school variation,
- To further develop role of Shadow LT and create a Middle Leader shadow team,
- To establish a more coherent quality assurance timeline and system,
- Develop Progress and Achievement Leaders (PALs) role to ensure achievement and whole school ethos are at the heart of their job

### Academy

- To develop management processes, especially in the finance area, to support academy operations,
- To establish the National Support School structures,
- To develop the Academy Business Continuity Plan,
- Finalise funding and planning application for school expansion to enable 2016 school entry

### 3 Performance Targets Set for 2012/13

Our targets are set in line with the Fischer D, which would put us in the top 25% of similar schools for each measure

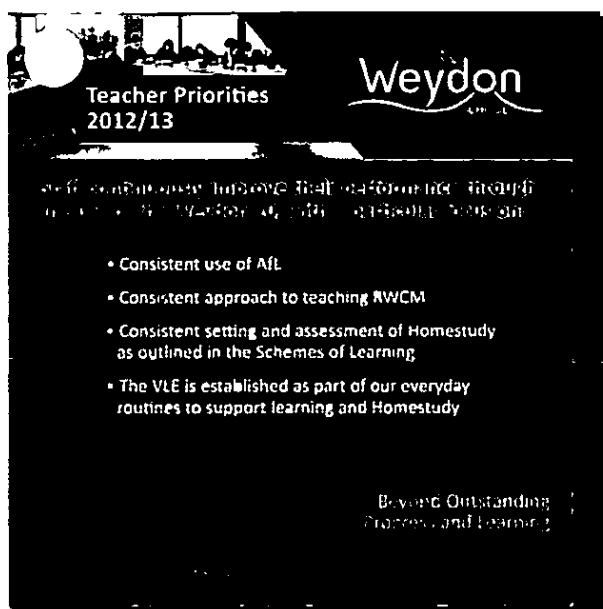
	2012 actual	2013 target
Value Added for Progress	95.3%	95%
GCSE	95%	95%
English	95%	95%
Maths	95%	95%
Att A	95%	95%
Att B	95% (1 A2, 1 B1)	95%
Att C	95%	95%



# Weydon School

## Governors' Report (continued)

### 4 Strategies for the achievement of each operational objective



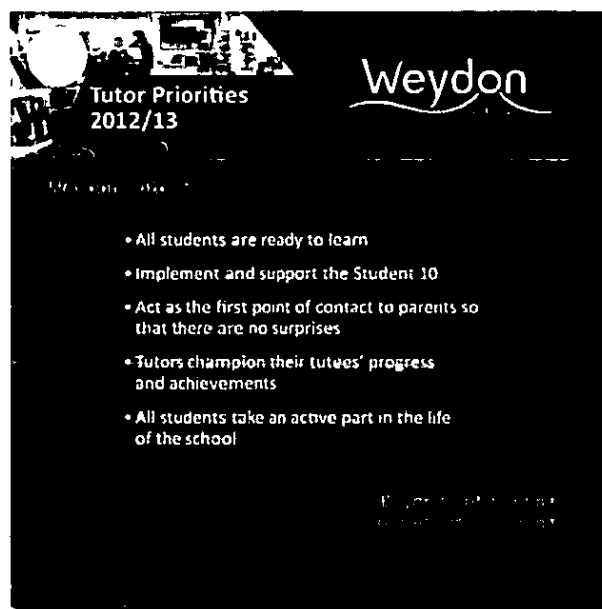
**Teacher Priorities 2012/13**

Weydon School

Staff continuously improve their performance through a range of strategies, including:

- Consistent use of AfL
- Consistent approach to teaching RWCM
- Consistent setting and assessment of Homestudy as outlined in the Schemes of Learning
- The VLE is established as part of our everyday routines to support learning and Homestudy

Beyond Outstanding Progress and Learning



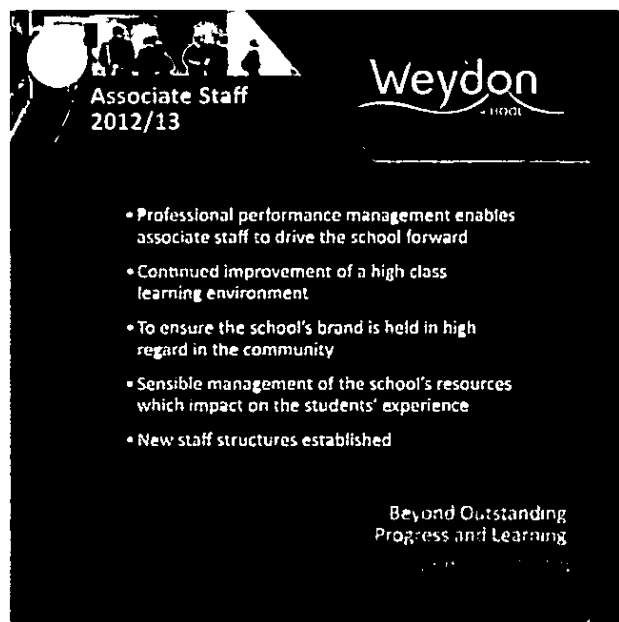
**Tutor Priorities 2012/13**

Weydon School

Teachers and Tutors:

- All students are ready to learn
- Implement and support the Student 10
- Act as the first point of contact to parents so that there are no surprises
- Tutors champion their tutees' progress and achievements
- All students take an active part in the life of the school

Beyond Outstanding Progress and Learning

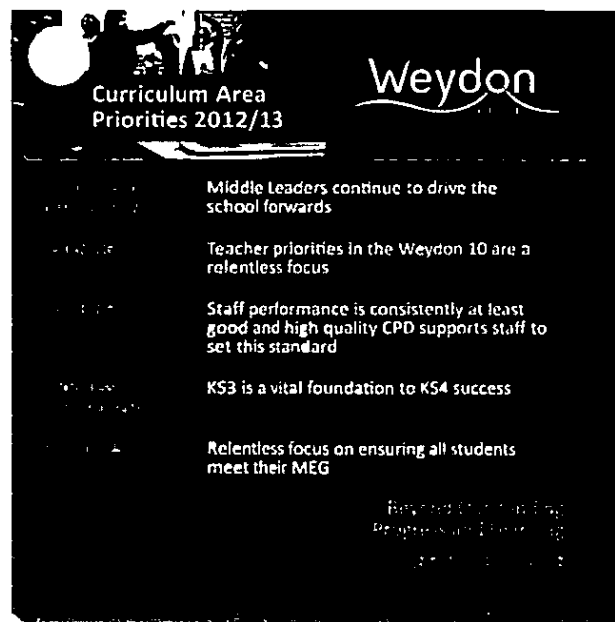


**Associate Staff 2012/13**

Weydon School

- Professional performance management enables associate staff to drive the school forward
- Continued improvement of a high class learning environment
- To ensure the school's brand is held in high regard in the community
- Sensible management of the school's resources which impact on the students' experience
- New staff structures established

Beyond Outstanding Progress and Learning



**Curriculum Area Priorities 2012/13**

Weydon School

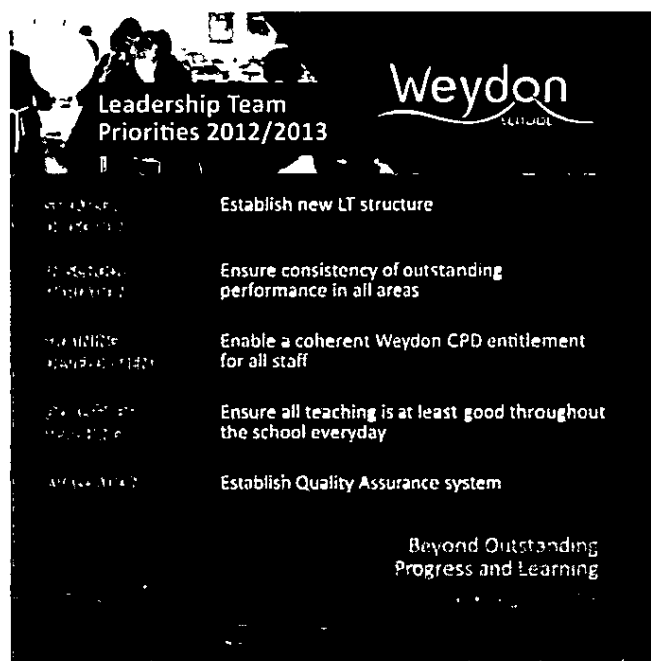
- **Primary** Middle Leaders continue to drive the school forwards
- **Secondary** Teacher priorities in the Weydon 10 are a relentless focus
- **KS3** Staff performance is consistently at least good and high quality CPD supports staff to set this standard
- **KS4** KS3 is a vital foundation to KS4 success
- **KS5** Relentless focus on ensuring all students meet their MEG

Beyond Outstanding Progress and Learning

## Weydon School

### Governors' Report (continued)

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#### *5 Ongoing review by LT and Governors' committees*

During the course of the year process and progress review have taken place involving LT and relevant governor Committees. School results are shown above

#### *6 Annual review of achievement at September strategy meeting*

A Strategic Planning meeting took place on 19 September 2013

#### **Public Benefit**

The Governors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the charity's aim and objectives and in planning future activities. In particular the trustees consider how planned activities will contribute to the aims and objectives they have set

The Academy Trust Governors have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties

#### Objectives, strategies and activities

The Objectives, strategies and activities are outlined in the School Development Plan

#### **Achievements and Performance**

A table showing school targets and achievements is shown above on page 8

#### **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

# Weydon School

## Governors' Report (continued)

### Key financial Performance Indicators

Income and Expenditure	Total %	Trend	3 Year %	1 Year %
Staff Spend	78.00	↓	85.51	82.22
Educational Supplies	17.38	↑	15.5	13.77
Estates Spend	7.08	↓	6.24	7.4
Income Generated	10.96	↑	5.7	4.71

Detailed above are the Key Performance Indicators reviewed in the School Development Plan. As well as these a decision has been made to focus on profitability and liquidity positions. Therefore, net profit margins have been reviewed at period end to ensure that they are in line with expectations. The quick ratio has been used to review liquidity with an expected ratio of 2:1 and an actual of ratio of 3:1 has been achieved. This continues to be reviewed on an on-going basis.

### **Financial Review**

Most of the Academy's income is obtained from the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfES during the year ended 31 August 2013 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Academy also received one grant for fixed assets from Partnership for Schools following a successful bid for funds to replace boilers, pipework, lighting etc. 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 12 month period ended 31 August 2013, total expenditure of £6,424,879 was more than covered by recurrent grant funding from the EFA together with other incoming resources. The excess of income over expenditure for the year (excluding restricted fixed asset funds) was £305,257.

At 31 August 2013 the net book value of fixed assets was £15,331,114 and movements in tangible fixed assets are shown in note 11 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

### Financial and risk management objectives and policies

The principal Risk Management objective of the Academy is to minimise all identified risks as outlined in the risk register by frequent review and remedial actions where required.

The Academy currently has a deficit on the Local Government Pension scheme of £556,000 which is being addressed within a 20 year period.

Policies adopted during the accounting period include

- Best Value,
- Charging & Remissions,
- Disposal of Assets,
- Finance,
- Fraud,
- Gifts & Hospitality,
- Governors' Allowances/Expenses,
- Investment,
- Procurement/Tendering,
- Purchasing,
- Reserves,
- Risk Management Procedure,
- Staff Expenses

# Weydon School

## Governors' Report (continued)

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### Principal risks and uncertainties

The major risks to which the Academy Trust is exposed are

- Shortfalls in funding which have not been anticipated,
- Changes in funding formulas,
- System failures,
- Falling roll

### Reserves policy

The Governors have agreed a Reserves' Policy for the Academy and will review this and the level of Reserves annually. This review encompasses the nature of income and expenditure streams and the need to match income with commitments and the nature of reserves. The Governors have determined that the appropriate level of free reserves (total funds less the amount held in fixed assets and restricted funds) should be approximately £100,000. The reason for this is to provide sufficient working reserves to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

### Investment policy

The Governors do not have any material investments

### **Plans for Future Periods**

Weydon School will continue to strive to improve the levels of performance of its students at all levels and this is detailed in the School Development Plan. Weydon School will continue in its efforts to ensure our students gain employment, training or a place in higher education when they leave. Weydon School will also continue to maintain an oversubscribed Academy, accepting transfers from other schools and colleges into years 7 to 11 where possible. Weydon School has an excellent reputation for the personal development and the well-being of its' students and staff and this will continue to be one of its priorities.

Detailed objectives and performance targets agreed at the Strategic Planning meeting in September 2012. The process previously outlined will be replicated, summarised as follows

- Confirmation of the strategic direction of the school,
- Setting of annual operational aims and objectives,
- Translation of the above into specific tasks for each work group within the school,
- Setting of school performance targets in respect of students' performance/staff development/income and expenditure/attitude and engagement

The Academy has also been working with Surrey County Council (SCC) to increase the Planned Admission Number (PAN) from the current 240 to 308 in 2016. This will mean significant capital investment in the Academy by SCC.

Plans have been finalised and there have now received planning consent for SCC. Building work will start in September 2013 and be phased to complete by July 2016.

### **Funds Held as Custodian Trustee on Behalf of Others**

There are no such funds.

# Weydon School

## Governors' Report (continued)

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### Auditors

Insofar as the trustees are aware

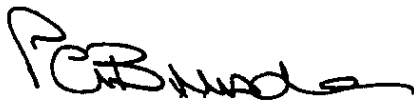
- There is no relevant audit information of which the charitable company's auditor is unaware,
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Baker Tilly UK Audit LLP has indicated its willingness to continue in office

### Statement as to Disclosure of Information to Auditors

The Governors have confirmed that, as far as they are aware, there is no relevant audit information of which the auditors are unaware. Each of the Governors have confirmed that they have taken all the steps that they ought to have taken as Governors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Approved by order of the Governing Board at its meeting on 25<sup>th</sup> November 2013 and signed on its behalf by



Peter Brinsden  
Chair



# Weydon School

## Governance Statement

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### Scope of Responsibility

As Governors, we acknowledge we have overall responsibility for ensuring that Weydon School 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 Headteacher, 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 Weydon School 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

### Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Governing Body has formally met 5 times during the 12 month period. Attendance during the period at meetings of the Governing Body was as follows

Governor	Meetings attended	Out of possible
A J Adam	4	5
C J Booth	5	5
S Bowden	1	1
P G Brinsden	5	5
A J Clark	5	5
J Cheyne	2	2
J Crocker	3	3
M J Field	5	5
D W Gale	5	5
B J Hurn	4	5
J K Impey	5	5
R Johnson	2	2
K Lawrence	2	3
S P Keogh	1	1
R K Lee	3	5
C A Lennard	3	5
J Mason	2	5
N D Pow	5	5
A Reading	2	5
S Rees	5	5
J N Spackman	2	4
R L Swan	5	5
A J Webber	4	5
J Winter	5	5

The only changes in the composition of the Governing Body during the reporting period were the resignations of S Bowden, S Keogh and J Spackman and the appointment of J Cheyne, J Crocker, R Johnson and K Lawrence

# Weydon School

## Governance Statement (continued)

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The Finance Committee is a sub-committee of the Main Governing Body. Its purpose is to ensure sound management of the Academy's finances and resources, including proper planning, monitoring and probity and to make appropriate comments and recommendations on such matters to the Governing Body on a regular basis. Attendance at the three meetings in the period is as follows.

Governor	Meetings attended	Out of possible
A J Adam	2	3
C J Booth	3	3
P G Brinsden	3	3
A J Clark	3	3
R Johnson	2	2
R K Lee	2	3
C A Lennard	2	3
J N Spackman	1	1
A J Webber	3	3
J Winter	3	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 on-going process designed to

- identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives,
- evaluate the likelihood of those risks being realised and the impact should they be realised,
- manage them efficiently, effectively and economically

The system of internal control has been in place in Weydon School for the year ended 31 August 2013 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 year ending 31 August 2013 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

### The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body,
- regular reviews by the Finance Monitoring Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes,
- regular reviews by the 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

# Weydon School

## Governance Statement (continued)

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The Governing Body has considered the need for a specific internal audit function and has decided to appoint an internal auditor Nick Pow, from the Governors, as Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on Weydon School's financial systems. On a termly basis, the RO reports to the Finance Committee on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

The RO function has been fully delivered in line with the EFA's requirements. Minor improvements have been recommended and have been implemented.

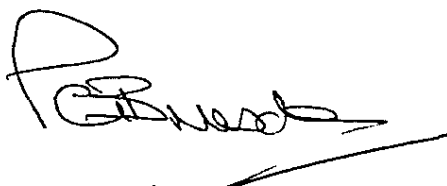
### Review of Effectiveness

As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by

- the work of the Responsible Officer,
- the work of the external auditor,
- the financial management and governance self assessment process,
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 25<sup>th</sup> November 2013 and signed on its behalf by



**Peter Brinsden**  
Chair



**John Winter**  
Accounting Officer



# Weydon School

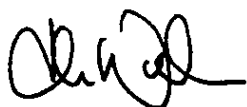
## Statement on Regularity, Propriety and Compliance

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As Accounting Officer of Weydon School, I have considered my responsibility to notify the Academy Trust Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As my part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the Academy Trust Governing Body are able to identify any 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 irregular, impropriety or funding non-compliance have been discovered to date.



**John Winter**  
Accounting Officer

**25<sup>th</sup> November 2013**

# Weydon School

## Statement of Governors' Responsibilities

---

The Governors (who act as trustees for charitable activities of Weydon School and are also the directors of the Charitable Company for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Academies Accounts Directions 2013 issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations

Company law requires the Governors to prepare financial statements for each financial year. 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,
- 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 EFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Governing Body on 25 November 2013 and signed on its behalf by



Peter Brinsden  
Chair

# Weydon School

## Independent Auditor's Report to the Members of Weydon School

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We have audited the financial statements of Weydon School Academy Trust Ltd for the year ended 31 August 2013 on pages 21 to 40. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), and the Academies Accounts Direction 2013 issued by the Education Funding Agency.

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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective Responsibilities of Governors and Auditor

As explained more fully in the Statement of Governors' Responsibilities set out on page 17, the Governors (who act as trustees for the charitable activities of the charitable company, and 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 (APB's) Ethical Standards for Auditors.

### Scope of the Audit of the Financial Statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-issued-1-December-2010.aspx>.

### Opinion on the Financial Statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- have been prepared in accordance with the Companies Act 2006,
- have been prepared in accordance with the Academies Accounts Direction 2013 issued by the Education Funding Agency.

### Opinion on Other Requirement of The Companies Act 2006

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

# Weydon School

## Independent Auditor's Report to the Members of Weydon School (continued)

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### Matters on which we are Required to Report by Exemption

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

- the charity has not kept adequate accounting records, 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 all the information and explanations we require for our audit

*Baker Tilly UK Audit LLP*

Kevin Barwick (Senior Statutory Auditor)  
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
Springpark House  
Basing View  
Basingstoke  
Hampshire  
RG21 4HG

Date *20 December 2017*

# Weydon School

## Statement of Financial Activities (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses) For the period ended 31 August 2013

	Note	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2013	17 month period to 31 <sup>st</sup> August 2012
<b>Incoming resources</b>						
<i>Incoming resources from generated funds</i>						
• Voluntary income	1	-	12,000	-	12,000	14,069,631
• Activities for generating funds	2	14,600	-	-	14,600	8,547
• Investment income	3	-	1,542	-	1,542	12,185
<i>Incoming resources from charitable activities</i>						
• Funding for the academy's educational operations	4	491,320	6,166,009	1,251,074	7,908,403	10,227,596
<b>Total incoming resources</b>		<b>505,920</b>	<b>6,179,551</b>	<b>1,251,074</b>	<b>7,936,545</b>	<b>24,317,959</b>
<b>Resources expended</b>						
<i>Cost of generating funds</i>						
• Costs of generating voluntary income		-	-	-	-	-
• Fundraising trading		-	-	-	-	-
<i>Charitable activities</i>						
• Academy trust's educational operations	6	467,056	5,480,308	431,011	6,378,375	8,878,638
<i>Governance costs</i>	7	-	46,504	-	46,504	45,042
<b>Total resources expended</b>	5	<b>467,056</b>	<b>5,526,812</b>	<b>431,011</b>	<b>6,424,879</b>	<b>8,923,680</b>
<b>Net incoming / (outgoing) resources before transfers</b>		<b>38,864</b>	<b>652,739</b>	<b>820,063</b>	<b>1,511,666</b>	<b>15,394,279</b>
Gross transfers between funds	14	(409,346)	-	409,346	-	-
<b>Net income/(expenditure) for the year</b>		<b>(370,482)</b>	<b>652,739</b>	<b>1,229,409</b>	<b>1,511,666</b>	<b>15,394,279</b>
<b>Other recognised gains and losses</b>						
Actuarial (losses) gains on defined benefit pension schemes	14,23	-	23,000	-	23,000	(129,000)
<b>Net movement in funds</b>		<b>(370,482)</b>	<b>675,739</b>	<b>1,229,409</b>	<b>1,534,666</b>	<b>15,265,279</b>
<b>Reconciliation of funds</b>						
Funds brought forward at 1 September 2012	14	914,926	(192,074)	14,542,427	15,265,279	-
<b>Total funds carried forward at 31 August 2013</b>		<b>544,444</b>	<b>483,665</b>	<b>15,771,836</b>	<b>16,799,945</b>	<b>15,265,279</b>

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

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

# Weydon School

## Balance Sheet

As at 31 August 2013

	Notes	2013	2013	2012	2012
<b>Fixed assets</b>					
Tangible assets	11		15,331,114		14,990,587
<b>Current assets</b>					
Debtors	12	274,485		183,765	
Cash at bank and in hand		<u>2,096,589</u>		<u>986,700</u>	
		2,371,074		1,170,465	
<b>Liabilities</b>					
Creditors Amounts falling due within one year	13	<u>(346,243)</u>		<u>(344,773)</u>	
<b>Net current assets</b>			<u>2,024,831</u>		<u>825,692</u>
<b>Total assets less current liabilities</b>					
<b>Net assets excluding pension liability</b>			17,355,945		15,816,279
Pension scheme liability	23		<u>(556,000)</u>		<u>(551,000)</u>
<b>Net assets including pension liability</b>			<u>16,799,945</u>		<u>15,265,279</u>
<b>Funds of the academy trust:</b>					
<b>Restricted income funds</b>					
• Fixed asset fund	14		15,771,836		14,581,240
• General fund	14		1,039,665		320,113
• Pension reserve	14		<u>(556,000)</u>		<u>(551,000)</u>
<b>Total restricted funds</b>			<u>16,255,501</u>		<u>14,350,353</u>
<b>Unrestricted income funds</b>					
• General fund	14		<u>544,444</u>		<u>914,926</u>
<b>Total unrestricted funds</b>			<u>544,444</u>		<u>914,926</u>
<b>Total funds</b>			<u>16,799,945</u>		<u>15,265,279</u>

The financial statements on pages 21 to 40 were approved by the Governors and authorised for issue on 25th November 2013, and are signed on their behalf by



Peter Brinsden  
Chair

# Weydon School

## Cash Flow Statement

For the period ended 31 August 2013

	Notes	2013	2012
<b>Net cash inflow from operating activities</b>	18	<b>606,681</b>	1,904,163
Returns on investments and servicing of finance	19	<b>1,541</b>	12,185
Capital expenditure	20	<b>501,666</b>	(1,582,943)
Cash transferred on conversion to an academy trust		-	653,295
<b>Increase/(Decrease) in cash in the year</b>	21	<b>1,109,889</b>	<b>986,700</b>
<b>Reconciliation of net cash flow to movement in net funds</b>			
Net funds at 1 September 2012		<b>986,700</b>	-
<b>Net funds at 31 August 2013</b>		<b>2,096,589</b>	<b>986,700</b>

# Weydon School

## Accounting Policies

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### **Basis of Preparation**

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Statement of Recommended Practice ('SORP 2005') 'Accounting and Reporting by Charities', the Academies Accounts Direction 2013 issued by the Education Funding Agency and Companies Act 2006

A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below

### **Going Concern**

No material uncertainties that may cast significant doubt about the ability of the Academy Trust to continue as a going concern have been identified by the Governors, therefore the financial statements have been prepared on a going concern basis

### **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*

Fixed asset 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. The general annual grant ('the GAG') from the DfE, which is intended to meet recurrent costs, is credited directly to the Statement of Financial Activities. Other grants from government agencies and other bodies are recognised in the period in which they are receivable to the extent the conditions of funding have been met. 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.

#### *Other Income*

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

#### *Donated services and gifts in kind*

The value of donated services and gifts in kind provided to the Academy Trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy Trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with Academy Trust's policies.

#### *Transfer of freehold*

On conversion to Academy status Weydon School Foundation gifted the school buildings and land to the Academy Trust. The properties have been professionally valued as at 1 April 2011, the date of transfer. The valuation is underpinned by SORP 2005 and has adopted the Modern Equivalent approach (MEA) for specialist property and the land uses the market value. As the buildings are of a specialist nature a MEA Depreciated Replacement Cost method has been used to calculate the fair value of the buildings.

### **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 to each activity cost category on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.



# Weydon School

## Accounting Policies (continued)

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*Costs of generating funds* are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

*Charitable activities* are costs incurred on the Academy Trust's educational operations

*Governance costs* include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management and Governors' meetings and reimbursed expenses

All resources expended are inclusive of irrecoverable VAT

### **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 General funds are resources subject to specific restrictions imposed by funders or donors, and include grants from the Education Funding Agency and Department for Education

Restricted Fixed Assets Funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency and the Department for Education, where the asset acquired or created is held for a specific purpose

### **Tangible Fixed Assets**

Tangible fixed assets costing £2,000 or more are capitalised at cost 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. Where the related grants require the asset to be held for a specific purpose they are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet, with this amount being reduced over the useful economic life of the related asset on a basis consistent with the 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

Long land and leasehold buildings	50 years
Fixtures, fittings and equipment	3 years
ICT equipment	3 years
Furniture	5 years
Boilers	10 years
Motor Vehicles	4 years

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.

### **Taxation**

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 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 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.

# Weydon School

## Accounting Policies (continued)

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### **Leased Assets**

Rentals under operating leases are charged on a straight-line basis over the lease term

### **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 23, 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 Education Funding Agency/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 Education Funding Agency.

### **Liabilities Policy**

Liabilities are recognised when the entity has an obligation to transfer economic benefits as a result of past transactions or events.

# Weydon School

## Notes to The Financial Statements

For the 12 month period ended 31 August 2013

### 1. Voluntary income

	Unrestricted funds	Restricted funds	Total 2013	17 month period ended 31 <sup>st</sup> August 2012
Donations – Capital				
Inherited assets & liabilities on conversion	-	-	-	14,069,631
Other donations		12,000	12,000	12,000
	-	12,000	12,000	14,069,631

### 2. Activities for generating funds

	Unrestricted funds	Restricted funds	Total 2013	Total 2012
Hire of facilities	14,600	-	14,600	8,547
Catering income				
	14,600	-	14,600	8,547

### 3. Investment income

	Unrestricted funds	Restricted funds	Total 2013	Total 2012
Rent receivable under operating leases	-	1,542	1,542	12,185
	-	1,542	1,542	12,185

### 4. Funding for the Academy Trust's educational operations

	Unrestricted funds	Restricted funds	Total 2013	Total 2012
<b>Core academy funding</b>				
General Annual Grant (GAG)	-	5,313,344	5,313,344	7,743,255
<b>Other Government funding</b>				
Pupil Premium	-	131,746	131,746	59,300
Special Education Needs	-	189,833	189,833	298,636
Capital Grants	-	1,168,165	1,168,165	70,595
Partnership for Schools	-	82,909	82,909	1,133,943
Start up grant	-	-	-	25,000
Other EFA grants	-	121,887	121,887	89,640
Other Government grants	-	309,004	309,004	-
Other school income	491,320	100,195	591,515	807,227
	491,320	7,417,083	7,908,403	10,227,596

### 5. Resources expended

	Staff costs	Non pay expenditure		Total 2013	Total 2012
		Premises	Other costs		
<b>Academy's educational operations</b>					
• Direct costs	3,814,833	-	907,396	4,722,229	6,012,440
• Allocated support costs	619,860	405,144	631,142	1,656,146	2,866,198
	4,434,693	405,144	1,538,538	6,378,375	8,878,638
<b>Governance costs including allocated support costs</b>					
	-	-	46,504	46,504	45,042
	4,434,693	405,144	1,585,042	6,424,879	8,923,680

# Weydon School

Notes to The Financial Statements (continued)  
For the 12 month period ended 31 August 2013

## 6. Charitable activities – academy's educational operations

	Unrestricted funds	Restricted funds	Total 2013	17 month period ended 31 <sup>st</sup> August 2012
<b>Direct costs</b>				
Teaching and educational support staff costs	-	3,814,833	3,814,833	5,568,899
Depreciation	-	-	-	-
Technology costs	997	66,586	67,583	-
Educational supplies	459,407	148,227	607,634	252,419
Examination fees	-	73,250	73,250	136,941
Staff development	676	40,519	41,195	41,700
Educational consultancy	1,505	63,700	65,205	-
Other direct costs	1,513	51,016	52,529	12,481
	<u>464,098</u>	<u>4,258,131</u>	<u>4,722,229</u>	<u>6,012,440</u>
<b>Allocated support costs</b>				
Support staff costs	-	619,859	619,859	878,546
Depreciation	-	408,881	408,881	416,692
Technology costs	-	6,823	6,823	-
Recruitment and support	190	31,517	31,707	62,448
Maintenance of premises and equipment	-	149,699	149,699	285,196
Cleaning	-	99,520	99,520	144,205
Rent and rates	-	45,500	45,500	43,030
Insurance	-	109,811	109,811	148,743
Security and transport	-	615	615	18,236
Catering	-	-	-	8,050
Bank interest and charges	-	-	-	-
Other support costs	2,768	180,963	183,731	861,052
	<u>2,958</u>	<u>1,653,188</u>	<u>1,656,146</u>	<u>2,866,198</u>
	<u>467,056</u>	<u>5,911,319</u>	<u>6,378,375</u>	<u>8,878,638</u>

## 7. Governance costs

	Unrestricted funds	Restricted funds	Total 2013	Total 2012
Legal and professional fees	-	21,509	21,509	34,494
Auditor's remuneration				
• Audit of financial statements	-	24,222	24,222	8,000
• Other audit costs	-	(1,454)	(1,454)	2,548
Clerking	-	2,227	2,227	-
	<u>-</u>	<u>46,504</u>	<u>46,504</u>	<u>45,042</u>

The charitable company strives to analyse expenditure as direct costs when transactions are being processed, but thereafter, allocates support costs on the basis of estimated staff time involved

Included within auditor's remunerations are amounts payable to Baker Tilly UK Audit LLP in respect of audit services of £8,500 and amounts payable to Baker Tilly Tax and Accounting Limited in respect of accountancy and advisory services of £4,415

# Weydon School

Notes to The Financial Statements (continued)  
For the 12 month period ended 31 August 2013

## 8. Staff costs

Staff costs during the period were	2013	2012
Wages and salaries	3,644,421	5,334,319
Social security costs	274,149	396,807
Pension costs – defined benefit schemes		
Teachers' Pension scheme	373,999	556,616
Local Government Pension Scheme	124,152	159,703
	<b>4,416,721</b>	<b>6,447,445</b>
Supply teacher costs	17,972	-
	<b>4,434,693</b>	<b>6,447,445</b>

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

Charitable activities	2013 no.	2012 no.
Teachers	89	86
Administration and support	62	62
Premises	2	2
	<b>153</b>	<b>150</b>

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

	2013 no.	2012 no.
£60,001 – £70,000	-	2
£70,000 – £80,000	2	1
£100,001 – £110,000	1	1

The above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2013, pension contributions for these staff amounted to £34,999 (2012 £43,778).

## 9. Related party transactions – Governors' remuneration and expenses

The Headteacher and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of headteacher and staff members under their contracts of employment, and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the academy trust in respect of their role as Governors. The value of Headteachers' remuneration was £105,630 and the charitable company incurred pension costs, to the Teachers' Pension Scheme, of £14,894 in respect of the Headteacher. The value of the three Staff Governors' remuneration was £93,780 and the pension benefits, in the Teachers' Pension Scheme, of £11,664 were accruing to them.

During the year ended 31 August 2013, £645 was reimbursed to 2 Governors for travel and subsistence expenses (2012 £963 for 4 Governors).

Other related party transactions involving the governors are set out in note 24.

# Weydon School

## Notes to The Financial Statements (continued) For the 12 month period ended 31 August 2013

### 10. Governors' and officers' insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring while on academy business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2013 was £38,330 (2012 £38,891)

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

### 11. Tangible fixed assets

	Freehold land and buildings	Building improvement	Fixtures, fittings and equipment	Asset under construction	Total
<b>Cost</b>					
At 1 September 2012	13,763,000	1,506,614	137,664	-	15,407,278
Additions	-	309,173	88,512	351,723	749,408
At 31 August 2013	13,763,000	1,815,787	226,176	351,723	16,156,686
<b>Depreciation</b>					
At 1 September 2012	279,451	63,014	74,226	-	416,691
Charged in year	197,260	175,913	35,708	-	408,881
At 31 August 2013	476,711	238,927	109,934	-	825,572
<b>Net book values</b>					
At 31 August 2013	13,286,289	1,576,860	116,242	351,723	15,331,114
At 31 August 2012	13,483,549	1,443,600	63,438	-	14,990,587

### 12. Debtors

	2013	2012
Trade debtors	30,060	655
VAT recoverable	58,700	-
Payments and accrued income	168,766	90,718
Other debtors	16,959	92,382
	<b>274,485</b>	<b>183,765</b>

### 13. Creditors: Amounts falling due within one year

	2013	2012
Trade creditors	145,841	154,618
Taxation and social security	81,075	84,249
Pension	66,712	-
Other creditors	13,502	-
Accruals and deferred income	39,113	105,906
	<b>346,243</b>	<b>344,773</b>

# Weydon School

## Notes to The Financial Statements (continued)

For the 12 month period ended 31 August 2013

### 14. Funds

	Balance at 1 September 2012	Incoming resources	Resources expended	Gains, losses and transfers	Balance at 31 August 2013
<b>Restricted general funds</b>					
General Annual Grant (GAG)	279,131	5,313,344	(4,721,880)	(173,106)	<b>697,489</b>
Pupil Premium	-	131,746	(100,932)	-	<b>30,814</b>
LGPS deficit fund	(551,000)	-	(28,000)	23,000	<b>(556,000)</b>
Special Education Needs	11,971	189,833	(365,825)	164,021	-
Other restricted income fund	67,824	544,628	(310,175)	9,085	<b>311,362</b>
	<b>(192,074)</b>	<b>6,179,551</b>	<b>(5,526,812)</b>	<b>23,000</b>	<b>483,665</b>
<b>Restricted fixed asset funds</b>					
Inherited fixed assets	13,482,180	-	(197,260)	-	<b>13,284,920</b>
Devolved capital	82,695	24,368	(14,662)	-	<b>92,401</b>
Partnership for Schools	960,963	368,993	(118,345)	-	<b>1,211,611</b>
School building Expansion	16,589	857,713	(44,032)	-	<b>830,270</b>
Unrestricted transfer	-	-	(56,712)	409,346	<b>352,634</b>
	<b>14,542,427</b>	<b>1,251,074</b>	<b>(431,011)</b>	<b>409,346</b>	<b>15,771,836</b>
<b>Total restricted funds</b>	<b>14,350,353</b>	<b>7,430,625</b>	<b>(5,957,823)</b>	<b>432,346</b>	<b>16,255,501</b>
<b>Unrestricted funds</b>					
Unrestricted funds	914,926	505,920	(467,056)	(409,346)	<b>544,444</b>
<b>Total unrestricted funds</b>	<b>914,926</b>	<b>505,920</b>	<b>(467,056)</b>	<b>(409,346)</b>	<b>544,444</b>
<b>Total funds</b>	<b>15,265,279</b>	<b>7,936,545</b>	<b>(6,424,879)</b>	<b>23,000</b>	<b>16,799,945</b>

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

#### *Restricted General Funds*

- The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to the academy via the Education Funding Agency by the Department for Education. The General Annual Grant Fund has been set up because the GAG must be used for the normal running costs of the academy.  
Under the funding agreement with the Education Secretary, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2013.
- The Pupil Premium fund represents the restricted pupil premium income received for the purposes of supporting children who have been eligible for free school meals at any point in the last six years. The relevant expenditure incurred is recorded through this fund.
- The LGPS deficit fund has been created to separately identify the pension deficit inherited from the local authority upon conversion to academy status, and through which all the pension scheme movements are recognised.
- The SEN fund represents the specific funding received for named children with exceptional needs and the relevant expenditure is recorded against this. The transfer between SEN and GAG represents the transfer of notional SEN funding to match the expenditure.
- The other restricted income fund has been created to recognise all sundry sources of restricted income from various sources that are individually immaterial in value. The relevant restricted expenditure is then also recorded through this fund.

# Weydon School

## Notes to The Financial Statements (continued)

For the 12 month period ended 31 August 2013

### Restricted Fixed Asset Funds

- The Inherited fixed assets fund has been set up to recognise the tangible assets gifted to the academy upon conversion which represent the school site including the freehold and long leasehold land and buildings and all material items of plant and machinery included therein. Depreciation charged on those inherited assets is allocated to the fund.
- Devolved capital and CMG fund represents grants from the local authority for capital maintenance of the school site. This is based on student numbers.
- Partnership for Schools funds represents monies gained from the EFA as a result of successful bids submitted for specific capital projects within the school site. Academies can generally bid for up to 3 projects for their establishment. Not all bids are successful as there is a very rigorous vetting process that each project submission has to undergo.
- The Expansion fund has been created for the restricted income for the purposes of expanding the school to accommodate 308 students from September 2016 onwards. The relevant restricted expenditure is then also recorded through this fund.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2013.

### 15. Analysis of net assets between funds

Fund balances at 31 August 2013 are represented by

	Unrestricted funds	Restricted general funds	Restricted fixed asset funds	Total funds
Tangible fixed assets	-	-	15,331,114	15,331,114
Current assets	544,444	1,385,908	440,722	2,371,074
Current liabilities	-	(346,243)	-	(346,243)
Pension scheme liability	-	(556,000)	-	(556,000)
<b>Total</b>	<b>544,444</b>	<b>483,665</b>	<b>15,771,836</b>	<b>16,799,945</b>

### 16. Capital commitments

	2013	2012
Contracted for, but not provided in the financial statements	<u>1,564,167</u>	=

### 17. Financial commitments

#### Operating leases

At 31 August 2013 the academy trust had annual commitments under non-cancellable operating leases as follows

	2013	2012
<b>Other</b>		
Expiring within one year	-	-
Expiring within two and five years inclusive	8,224	-
Expiring in over five years	-	-
	<u>8,224</u>	-



# Weydon School

## Notes to The Financial Statements (continued) For the 12 month period ended 31 August 2013

### 18. Reconciliation of new income to net cash inflow from operating activities

	2013	2012
Net income	1,511,666	15,394,279
Cash impact of transfer on conversion	-	(653,295)
Depreciation	408,881	416,692
Capital grants from DFE and other capital income	(1,251,074)	-
Interest receivable	(1,542)	(12,185)
Non cash movement – inherited fixed assets	-	(13,824,336)
FRS 17 pension cost less contributions payable (note 23)	153,000	-
FRS 17 pension finance income (note 23)	(125,000)	-
Actuarial loss on defined benefit pension scheme	-	(129,000)
(Increase)/decrease in debtors	(90,720)	(183,765)
Decrease/(Increase) in creditors	1,470	344,773
(Decrease)/Increase in defined benefit pension scheme liability	(5,000)	551,000
<b>Net cash inflow from operating activities</b>	<b>606,681</b>	<b>1,904,163</b>

### 19. Returns on investments and servicing of finance

Interest received	1,542	12,185
<b>Net cash inflow from returns on investment and servicing of finance</b>	<b>1,542</b>	<b>12,185</b>

### 20. Capital expenditure and financial investment

Purchase of tangible fixed assets	(749,408)	(1,582,943)
Capital grants from DFE/EFA	310,452	-
Capital funding received from others	940,622	-
<b>Net cash outflow from capital expenditure and financial investment</b>	<b>501,666</b>	<b>(1,582,943)</b>

### 21 Analysis of changes in net funds

	At 1 September 2012	Cash flows	At 31 August 2013
Cash in hand at bank	986,700	1,109,889	2,096,589
	986,700	1,109,889	2,096,589

### 22. Members' liability

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

# Weydon School

## Notes to The Financial Statements (continued)

For the 12 month period ended 31 August 2013

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### 23. Pension and Similar Obligations

The Academy Trust'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 Surrey County Council Both are defined-benefit schemes

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries The latest actuarial valuation of the TPS was 31 March 2004 and of the LGPS 31 March 2010

Contributions amounting to £66,712 (2012 £63,082) were payable to the schemes at 31 August and are included within creditors

#### Teachers' Pension Scheme

##### Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) These regulations apply to teachers in schools that are maintained by local authorities and other educational establishments, including academies, in England and Wales In addition teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract Teachers and lecturers are able to opt out of the TPS

##### The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and are paid by public funds provided by Parliament The TPS is an unfunded scheme and members contribute on a "pay as you go" basis - these contributions along with those made by employers are credited to the Exchequer under arrangements governed by the above Act

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

##### Valuation of the Teachers' Pension Scheme

At the last valuation, the contribution rate to be paid into the TPS was assessed in two parts First, a standard contribution rate (SCR) was 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 review, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions The total contribution rate payable is the sum of the SCR and supplementary contribution rate

# Weydon School

## Notes to The Financial Statements (continued) For the 12 month period ended 31 August 2013

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### 23. Pension and Similar Obligations (continued)

The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004. The Government Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions 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 that valuation date) was £163,240 million.

The assumed real rate of return was 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth was assumed to be 1.5%. The assumed gross rate of return was 6.5%. From 1 January 2007,

The SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, the design of benefits and many other factors. Many of these assumptions are being considered as part of the work on the reformed TPS, as set out below. Scheme valuations therefore remain suspended. The Public Service Pensions Bill, which is being debated in the House of Commons, provides for future scheme valuations to be conducted in accordance with Treasury directions. The timing for the next valuation has still to be determined, but it is likely to be before the reformed schemes are introduced in 2015.

#### Teachers' Pension Scheme Changes

Lord Hutton published his final report in March 2011 and made recommendations about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation and Ministers engaged in extensive discussions with trade unions and other representative bodies on reform of the TPS. Those discussions concluded on 9 March 2012 and the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

The key provisions of the reformed scheme include a pension based on career average earnings; an accrual rate of 1/57th, and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Importantly, pension benefits built up before 1 April 2015 will be fully protected.

In addition, the Proposed Final Agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall just outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases were to be phased in from April 2012 on a 40:80:100% basis.

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

# Weydon School

Notes to The Financial Statements (continued)  
For the 12 month period ended 31 August 2013

## 23. 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 2013 was £ 164,000, of which employer's contributions totalled £ 125,000. And employees' contributions totalled £ 39,000. The agreed contribution rates for future years are 19.3 per cent for employers and 7.2 per cent for employees.

Principal actuarial assumptions	At 31 August 2013	At 31 August 2012
Rate of increase in salaries	5.10%	4.50%
Rate of increase for pensions in payment	2.80%	2.20%
Discount rate for scheme liabilities	4.60%	4.10%
Inflation assumption (CPI)	4.60%	4.10%

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below.

Change in assumptions at 31 August 2013:	Approximate increase to Employer Liability	Approximate monetary amount £
0.5 % decrease in Real Discount Rate	12%	164,000
1 year increase in member life expectancy	3%	40,000
0.5 % increase in the Salary Increase Rate	6%	79,000
0.5 % increase in the Pension Increase Rate	6%	80,000

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 2013	At 31 August 2012
<b>Retiring today</b>		
Males	21.9	21.9
Females	24.0	24.0
<b>Retiring in 20 years</b>		
Males	23.9	23.9
Females	25.9	25.9

# Weydon School

Notes to The Financial Statements (continued)  
For the 12 month period ended 31 August 2013

## 23. Pension and Similar Obligations (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 2013	Fair value £ at 31 August 2013	Expected return at 31 August 2012	Fair value £ at 31 August 2012
Equities	6.60%	581,000	5.50%	371,000
Bonds	3.90%	130,000	3.40%	98,000
Property	4.70%	38,000	3.70%	26,000
Cash	3.60%	15,000	2.80%	21,000
		<u>764,000</u>		<u>516,000</u>
Present value of scheme liabilities				
- Funded		(1,320,000)		(1,067,000)
<b>(Deficit)/ surplus in the scheme</b>		<u><b>(556,000)</b></u>		<u><b>(551,000)</b></u>

This model is known as an economic scenario generator and uses probability distributions to project a range of possible outcomes for the future behaviour of asset returns and economic variables. Some of the parameters of the model are dependent on the current state of financial markets and are updated each month (e.g. the current level of equity market volatility) while other more subjective parameters do not change with different calibrations of the model.

Key subjective assumptions are:

- the average excess equity return over the risk free asset (tending to approximately 3% p.a. as the investment horizon is increased),
- the volatility of equity returns (approximately 18% p.a. over the long term) and the level and volatility of yields, credit spreads, inflation, which affect the projected value placed on the liabilities and bond returns,
- The output of the model is also affected by other more subtle effects, such as the correlations between economic and financial variables.

The actual return on scheme assets was £ 84,000 (2012: £ 10,000)

### Amounts recognised in the statement of financial activities

	2013	2012
Current service costs (net of employee contributions)	135,000	157,000
Past service cost	-	-
<b>Total operating charge</b>	<u><b>135,000</b></u>	<u><b>157,000</b></u>

# Weydon School

Notes to The Financial Statements (continued)  
For the 12 month period ended 31 August 2013

## 23. Pension and Similar Obligations (continued)

Analysis of pension finance income / (costs)	2013	2012
Expected return on pension scheme assets	(29,000)	(39,000)
Interest on pension liabilities	<u>47,000</u>	<u>63,000</u>
Pension finance income/ (costs)	<u>18,000</u>	<u>24,000</u>
 Total pension costs	 <u>153,000</u>	 <u>181,000</u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities  
The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £ 106,000 Loss (2012 £ 129,000 Loss)

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

	2013	2012
<b>At 1 September</b>		
Upon conversion to academy status	1,067,000	697,000
Current service cost	135,000	157,000
Interest cost	47,000	63,000
Employee contributions	39,000	52,000
Actuarial (gain)/loss	32,000	98,000
Benefits paid	-	-
Past Service cost	-	-
Curtailments and settlements	-	-
 <b>At 31 August</b>	 <u>1,320,000</u>	 <u>1,067,000</u>

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

	2013	2012
<b>At 1 September</b>		
Upon conversion to academy status	516,000	289,000
Expected return on assets	29,000	39,000
Actuarial gain/(loss)	55,000	(31,000)
Employer contributions	125,000	167,000
Members contributions	39,000	52,000
Benefits paid	-	-
 <b>At 31 August</b>	 <u>764,000</u>	 <u>516,000</u>

The estimated value of employer contributions for the year ended 31 August 2014 is £ 131,000

# Weydon School

## Notes to The Financial Statements (continued) For the 12 month period ended 31 August 2013

### 23 Pension and Similar Obligations (continued)

The five-year history of experience adjustments is as follows

	2013	2012
Present value of defined benefit obligations	(1,320,000)	(1,067,000)
Fair value of share of scheme assets	764,000	516,000
Deficit in the scheme	<u>(556,000)</u>	<u>(551,000)</u>
Experience adjustments on share of scheme assets	<u>55,000</u>	<u>(31,000)</u>
Experience adjustments on share of scheme liabilities	<u>-</u>	<u>-</u>

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that in the event of academy dissolve, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

### 24. Related Parties

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

The following transactions took place in the period

Weydon Extended School Services Limited (WESS) has directors in common with the Academy. At the period end WESS owed the Academy Trust £10,000 (2012: £10,000) as a donation to the academy and £14,600 (2012: £14,595) as a contribution towards the premises salaries.

Mrs A Adam, a Governor, is also a partner of Dawson Mason & Carr. Payments of £7,560 (2012: £5,498) were made to Dawson Mason & Carr by Weydon School in respect of HR services and advice.

# Weydon School

Notes to The Financial Statements (continued)  
For the 12 month period ended 31 August 2013

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## 25. Conversion to an Academy Trust

On 1 April 2011 Weydon School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities, with the exception of land and buildings, were transferred to Weydon School from the Surrey local authority for £nil consideration

As a former Foundation School, the land and buildings were previously owned by the Governors of Weydon School and were transferred to the Academy for £nil consideration

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

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

	Unrestricted funds	Restricted general funds	Restricted fixed asset funds	Total
<b>Tangible fixed assets</b>				
Freehold/leasehold land & buildings	-	-	13,763,000	13,763,000
Fixtures and fittings	-	-	61,336	61,336
Budget surplus/(deficit) on LA funds	653,295	-	-	653,295
Budget surplus/(deficit) on other school funds	-	-	-	-
LGPS pension surplus/(deficit)	-	(408,000)	-	(408,000)
Borrowing obligations	-	-	-	-
Other identified assets and liabilities	-	-	-	-
Net assets/(liabilities)	653,295	(408,000)	13,824,336	14,069,631

The above net assets include £653,295 that were transferred as cash