

REGISTERED COMPANY NUMBER. 08033193 (England and Wales)

**The Wroxham Foundation
Report of the Trustees and
Financial Statements for the Period 17 April 2012 to 31 August 2013**

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The Wroxham Foundation
Contents of the Financial Statements
for the Period 17 April 2012 to 31 August 2013

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 7
Governance Statement	8 to 9
Statement on Regularity, Propriety and Compliance	10
Statement of Trustees Responsibilities	11
Report of the Independent Auditors	12 to 13
Independent Accountant's Report on Regularity	14
Statement of Financial Activities	15
Balance Sheet	16
Cash Flow Statement	17
Notes to the Cash Flow Statement	18
Notes to the Financial Statements	19 to 33

The Wroxham Foundation
Reference and Administrative Details
for the Period 17 April 2012 to 31 August 2013

TRUSTEES	Martin Afford (appointed 17 4 12) (resigned 31 7 13) Roger Billing (appointed 17 4 12) (resigned 31 7 12) Anthony Borden (appointed 17 4 12) * Andrew Bull (appointed 17 4 12) * Stephen Davy (appointed 17 4 12) * Mary Groom (appointed 1 1 13) * Simon Hersom (appointed 1 6 13) * Angela Hill (appointed 17 4 12) Alison Peacock (appointed 17 4 12) * Conal Presho (appointed 17 4 12) * Barry Smith (appointed 17 4 12) John Usher (appointed 17 4 12) (resigned 30 11 12) Martyn Vandewalle (appointed 17 4 12)
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* members of the finance committee

COMPANY SECRETARY	Margaret Roper
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SENIOR MANAGEMENT TEAM	Alison Peacock - Headteacher Anthony Borden - Chair Angela Hill - Vice Chair Andrew Bull
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REGISTERED OFFICE	The Wroxham School Wroxham Gardens Potters Bar Hertfordshire EN6 3DJ
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REGISTERED COMPANY NUMBER	08033193 (England and Wales)
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INDEPENDENT AUDITORS	BeyondProfit Registered Auditors Queens Chambers Eleanors Cross Dunstable Bedfordshire LU6 1SU
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SOLICITORS	Bates Wells and Braithwaite 29 Lower Brook Street Ipswich Suffolk IP4 1AQ
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BANK	Barclays Bank PLC 95-97 High Street Barnet EN5 5UX
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The Wroxham Foundation

Report of the Trustees for the Period 17 April 2012 to 31 August 2013

The trustees, who are also directors of the academy trust for the purposes of the Companies Act 2006, present their report together with the audited financial statements of the academy trust for the period 17 April 2012 to 31 August 2013

The academy trust was incorporated on 17 April 2012, and the Wroxham School converted to an academy on 1 June 2012

The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005 and the Academies Accounts Direction issued by the Education Funding Agency

INCORPORATION

The academy trust was incorporated on 17 April 2012 and commenced trading on 1 June 2012

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Wroxham Foundation academy trust is a company limited by guarantee and an exempt charity. The academy trust's memorandum and articles of association are the primary governing documents of the academy trust. The academy trust is known as The Wroxham Foundation, and the academy school is known as The Wroxham School.

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 £1 for the debts and liabilities contracted before they ceased to be a member.

Trustees' indemnities

In accordance with normal practice the school has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions whilst on school business. The cover under the policy is £2 million under any one claim. In the period under review no claims were made.

Principal activities

The principal activity of The Wroxham Foundation is to provide outstanding teaching and learning opportunities at the school and to engage with the wider community.

Recruitment and appointment of new trustees

Trustees (also known as governors) are appointed as follows:

Foundation Trustees

The board of trustees of The Wroxham Foundation has the right to appoint up to 12 trustees. Such appointments are usually made following consultation amongst the board.

Parent Trustees

Through an open election for all eligible parents or guardians of children who are currently attending The Wroxham School. There are currently three parent trustees.

Staff Trustees

Elected through an open election for all eligible staff members at The Wroxham School. There are currently two staff trustees.

Community Trustees

Community trustees may be appointed to provide additional expertise to the board. There are currently two co-opted trustees.

Ex-officio

Headteacher (Alison Peacock)

The Wroxham Foundation

Report of the Trustees for the Period 17 April 2012 to 31 August 2013

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

It is expected that all trustees undertake training as appropriate to their role on the board of trustees. New trustees are recommended to undertake the Herts for Learning induction training for trustees and this is supplemented by our teaching school training opportunities. A log is kept of all trustee training and reviewed on a regular basis.

Trustees are responsible for the overall management of the school and attend all full board meetings. The trustees review and monitor statutory policies. The terms of reference for all committees are reviewed annually. Each committee works under the chairmanship of a trustee appointed by the full board. The company secretary is responsible for co-ordinating the work of the trustees and their committees, preparation of agendas, supporting papers and the review of any matters arising. The headteacher and finance manager are responsible for the accounts.

All trustees give of their time freely and, except for as disclosed at note 9, no remuneration or expenses relating to their activities as trustees were paid in the period.

Organisational structure

The trustees determine the general policy of the school. The day to day running of the school is delegated to the headteacher, who is supported by the senior leadership team. The headteacher undertakes the key leadership role of overseeing educational, pastoral, human resources and administrative functions in consultation with the deputy headteacher and other senior staff as appropriate.

The headteacher oversees the recruitment of all staff. The headteacher is an ex-officio trustee and attends all meetings. Staff roles and responsibilities are published in termly headteacher reports to the board of trustees.

Risk management

The trustees are responsible for the overseeing of the risks faced by the school. Detailed considerations of risk are delegated to the senior leadership team of the school. Risks are identified, assessed and controls put in place. A formal review of the Risk Register is undertaken annually. Risks identified include:

- Financial stability,
- School safety,
- Child / staff welfare,
- Employment / recruitment / retention,
- School trips,
- Site security / maintenance

A Critical Incident Plan is in place and senior leaders are aware of their role in any such event.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The aim of The Wroxham Foundation is to support The Wroxham School to move 'beyond outstanding' in all aspects of its role as a school and a teaching school and to provide inspiration for inclusive educational policy nationally and internationally. The aims of The Wroxham Foundation are underpinned by the research findings of 'Creating Learning without Limits' (2012).

Public benefit

The trustees have complied with their duty to have due regard to the guidance on public benefit published by the Secretary of State for Education. The key public benefit delivered by The Wroxham Foundation is the maintenance and development of high quality education to the children of The Wroxham School.

The Wroxham Foundation

Report of the Trustees for the Period 17 April 2012 to 31 August 2013

ACHIEVEMENT AND PERFORMANCE

Charitable activities

An Outstanding School

The Wroxham School achieved an Ofsted rating of Outstanding in all aspects of provision (May 2013). This is the third successive time that The Wroxham School has achieved an Outstanding grade but the first time as an academy. A case study of the school will be provided in a forthcoming Ofsted survey report of the top twenty primary schools in England (2014 forthcoming).

The Wroxham School remains over-subscribed in all classes with a waiting list in many classes. Parent attendance at Family Consultations is excellent and support from the local community is very strong. There is a thriving Wroxham Friends Association. Our Extended School provision (Breakfast Club, Kids' Club, Sports Camp, Nursery) was used as a case study of excellence by the DfE this year.

The key aims for 2013 - 2014 are

- To further improve the quality of writing,
- To enable our children to extend their self-assessment skills to identify, celebrate and articulate progress achieved,
- To engage in detailed observation of children's learning using lesson study,
- To extend opportunities for children to extend their thinking through purposeful talk,
- To work in partnership with colleagues from our Transformative Learning Alliance to enact the Cambridge Primary Review principles of equity, empowerment, expertise and excellence.

The school has a highly qualified team of staff. We now employ three Specialist Leaders in Education and a Leading Teacher for maths. One of our staff is working in partnership with the Science Learning Centre to design and deliver training for teachers. The school now has an accredited Global Learning specialist and has achieved the status of Global Learning Hub.

Attainment

Provisional data from RAISEonline (October 2013) shows that the school's performance is outstanding.

- KS1 attainment across all subjects is significantly higher than national standards,
- KS2 attainment achieving or surpassing Level 4 in all subjects is significantly higher than national standards,
- KS2 attainment achieving or surpassing Level 5 in all subjects is significantly higher than national standards,
- Children with English as a second language attain significantly higher than national standards,
- Children with Special Educational Needs achieve significantly higher than national standards,
- There were no children eligible for Free School Meals in Y6 during 2012-13,
- Value added progress between KS1 and KS2 was significantly higher than national standards.

Professional Learning

The Wroxham Teaching School is recognised nationally for its high quality provision. The Teaching School has a responsibility to report to the DfE on the following areas:

- Continuous Professional Development activity,
- Research & development,
- Initial teacher education,
- Talent management and succession planning in alliance schools,
- Specialist Leaders of Education,
- School to school support.

The Teaching School has built an alliance of 80 schools. Case study reports about the work of our alliance have been presented to the Secretary of State for Education as examples of best practice.

International Recognition

The Wroxham School has an increasingly national and international reputation for inclusive excellence. We lead a funded Hertfordshire local initiative to support inclusive practice across all Potters Bar and Borehamwood schools. This is co-ordinated by our assistant headteacher.

International visitors this year have come from the USA, Norway, Spain and Japan. The headteacher has been invited to lead conferences across the country about the innovative practice at Wroxham and has accepted an invitation to present at an international conference in Spain next year.

The Wroxham Foundation

Report of the Trustees for the Period 17 April 2012 to 31 August 2013

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Open University Press have announced that research about Wroxham published in 'Creating Learning without Limits' (2012) is being translated into Spanish and Japanese. A feature about citizenship at the school will be written in the quality Japanese press, Asahi Shinbun, later this year following a visit from writer Takuya Asakura.

Policy engagement

Alison Peacock is a member of the following influential groups:

- The Princes Trust Institute Commission for a Royal College of Teaching,
- The NAHT Commission for Assessment,
- The DfE Expert panel for Assessment,
- The DfE National Curriculum implementation group
- Challenge Partners Management Board,
- The Royal Opera House Bridge,
- The Royal Society Vision Committee,
- Teacher Development Trust,
- Teaching Schools Council,
- Teaching Schools Research and Development (Chair)

Many staff have contributed to national conference presentations throughout the year. Steve Davy is the primary representative for the Historical Association. He also participated in Radio 4's 'The Moral Maze'.

Publications

This year, articles about the school and its wider work have been published by the NAHT, Optimus Education, 'School Leadership Today', TES, ATL, Leadership & Governance and 'Teach Primary'. Alison Peacock regularly writes articles for publication.

Alison Peacock's leadership is also a case study in 'Eight Qualities of Successful School Leadership' (2013) by Jeremy Sutcliffe.

Pearson Education and the Association of Teachers and Lecturers have filmed at the school in order to promote the new national curriculum and alternatives to assessment. Alison Peacock provided a podcast for the DfE. The DfE have promoted films about our school such as 'We Challenge Ourselves' which can be viewed on the school website.

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that The Wroxham Foundation has adequate resources to continue in operational existence for the foreseeable future. For this reason, it has adopted the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies note of the financial statements.

The Wroxham Foundation

Report of the Trustees for the Period 17 April 2012 to 31 August 2013

FINANCIAL REVIEW

Summary review

Most of The Wroxham Foundation's income is obtained from the Department for Education (DfE) via the Education Funding Agency (EFA) in the form of its General Annual Grant (GAG). The use of this grant is restricted to particular purposes, namely the objects of the academy trust. The GAG received during the period covered by this report and the associated expenditures are shown as restricted funds in the Statement of Financial Activities.

A capital grant was awarded to the school by the DfE to replace windows and asbestos cladding. In addition, the school received a Devolved Formula Capital Grant (DFC). In accordance with the Charities SORP 2005, the DFC received is shown in the Statement of Financial Activities as restricted fixed asset funds.

On conversion to academy status on 1 June 2012, all the fixed assets of the former school were transferred to the new academy trust and are shown as restricted fixed asset funds. The balance sheet restricted fixed asset fund is reduced by depreciation charges over the expected useful life of the assets concerned.

Expenditure for the period covered by this report was covered by the GAG received from the DfE and other income, such as voluntary income, activities for generating funds such as Teaching School income and consultancy.

The academy trust's total incoming resources for the period 17 April 2012 to 31 August 2013 amounted to £4,150,000 of which £2,370,000 related to funds received on conversion.

Reserves policy

The trustees have developed a reserves policy (incorporated in the investment policy) for the school. The policy was formulated in light of the nature of the income and expenditure streams and the need to match income with commitments and the nature of reserves.

The trustees have determined that the appropriate level of free reserves (total funds less the amount held in tangible fixed assets and restricted funds) should be approximately £75,000. This allows for sufficient working capital to cover delays in spending and receipts of grants and to provide resources to deal with unexpected emergencies such as urgent maintenance.

Investment policy and objectives

The academy trust's investment strategy is

- Regularly monitor cash flow and current / fund account balances to ensure immediate financial commitments can be met (payroll and payment runs) and that the accounts have adequate balances to meet forthcoming commitments. In practice a working balance of between £200,000 and £300,000 is likely to be maintained,
- Funds surplus to this amount to be identified and transferred to an account bearing a high interest rate. It is planned to open a deposit account to secure a better rate over a longer period of investment,
- To periodically review (termly) interest rates and compare with other investment opportunities,
- The academy trust's current policy is only to invest funds in risk free and accessible deposit accounts for a maximum of 12 weeks.

Any change of policy would require approval by the trustees.

FUTURE DEVELOPMENTS

The Wroxham School will continue to maintain three priorities

- To ensure 'beyond outstanding' provision for the education of children at The Wroxham School,
- To continue to develop the professional learning of colleagues at The Wroxham School and others within the Teaching School Transformative Learning Alliance,
- To continue to secure additional income and reputation for The Wroxham Foundation as a centre of inspiration for national and international inclusive educational policy.

FUNDS HELD AS CUSTODIAN FOR OTHERS

During the period 17 April 2012 to 31 August 2013 The Wroxham Foundation did not hold any funds as a custodian trustee on behalf of any other charitable organisation.

The Wroxham Foundation

**Report of the Trustees
for the Period 17 April 2012 to 31 August 2013**

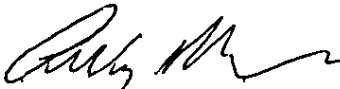
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the academy trust's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the academy trust's auditors are aware of that information

AUDITORS

The auditors, BeyondProfit, will be proposed for re-appointment at the forthcoming Annual General Meeting

ON BEHALF OF THE BOARD



Anthony Borden - Trustee

Date *5 June 2013*

The Wroxham Foundation
Governance Statement
for the Period 17 April 2012 to 31 August 2013

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that The Wroxham Foundation 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 board of trustees 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 The Wroxham Foundation and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Report of the Trustees and in the Statement of Trustees Responsibilities. The board of trustees has formally met 5 times during the period. Attendance during the period at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Alison Peacock	5	5
Andrew Bull	4	5
Angela Hill	4	5
Anthony Borden	5	5
Barry Smith	4	5
Conal Presho	2	5
Stephen Davy	5	5
Martyn Vandewalle	4	5
Mary Groom	3	4
Simon Hersom	1	1

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, 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 The Wroxham Foundation for the period 17 April 2012 to 31 August 2013 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees 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 board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 17 April 2012 to 31 August 2013 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

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 board of trustees,
- 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.

The Wroxham Foundation

Governance Statement for the Period 17 April 2012 to 31 August 2013

The Risk and Control Framework

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the trustees have appointed Judith West as responsible officer.

The responsible officer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a quarterly basis, the responsible officer reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

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 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 board of trustees on *5 December 2013* and signed on its behalf by



Anthony Borden - Trustee



Alison Peacock - Accounting Officer

The Wroxham Foundation

**Statement on Regularity, Propriety and Compliance
for the Period 17 April 2012 to 31 August 2013**

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

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

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



Alison Peacock - Accounting Officer

Date 5/12/13

The Wroxham Foundation

Statement of Trustees Responsibilities for the Period 17 April 2012 to 31 August 2013

The trustees (who act as governors of The Wroxham Foundation and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations

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

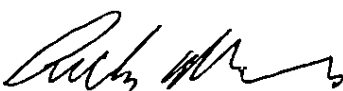
- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charity SORP,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the academy trust will continue in business

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

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the academy trust's website.

ON BEHALF OF THE BOARD



Anthony Borden - Trustee

Date *5 December 2013*

Report of the Independent Auditors to the Members of The Wroxham Foundation

We have audited the financial statements of The Wroxham Foundation for the period ended 31 August 2013 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 issued by the Education Funding Agency (EFA).

This report is made solely to the academy trust'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 academy trust's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy trust and the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees Responsibilities, the trustees (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 academy trust'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 Report of the Trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

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

Opinion on other matter prescribed by the Companies Act 2006

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

**Report of the Independent Auditors to the Members of
The Wroxham Foundation**

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the trustees were not entitled to take advantage of the small companies exemption in preparing the Report of the Trustees



Christopher Martin BSc FCA (Senior Statutory Auditor)
for and on behalf of BeyondProfit
Registered Auditors
Queens Chambers
Eleanors Cross
Dunstable
Bedfordshire
LU6 1SU

Date 16/12/13

Note

The maintenance and integrity of the The Wroxham Foundation website is the responsibility of the trustees, the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website

**Independent Reporting Accountant's Assurance Report on Regularity to
The Wroxham Foundation and the Education Funding Agency**

In accordance with the terms of our engagement and further to the requirements of the Education Funding Agency (EFA), as included in the Academies Accounts Direction 2013, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Wroxham Foundation during the period 17 April 2012 to 31 August 2013 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them

This report is made solely to The Wroxham Foundation and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Wroxham Foundation and those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Wroxham Foundation and the EFA, for our work, for this report, or for the conclusion we have formed

Respective responsibilities of The Wroxham Foundation's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Wroxham Foundation's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2012, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2013. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 17 April 2012 to 31 August 2013 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2013 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matter that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 17 April 2012 to 31 August 2013 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them

BeyondProfit
Queens Chambers
Eleanors Cross
Dunstable
Bedfordshire
LU6 1SU

Date 16/12/13

The Wroxham Foundation

**Statement of Financial Activities
for the Period 17 April 2012 to 31 August 2013**

	Notes	Unrestricted fund £	Restricted fund £	Fixed Asset Fund £	Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	8,999	6,309	2,516,000	2,531,308
Voluntary income - Transfer from Local Authority on conversion	21	162,886	(382,000)	73,809	(145,305)
Activities for generating funds	3	278,845	-	-	278,845
Incoming resources from charitable activities					
Academy's educational operations	4	-	1,283,944	201,994	1,485,938
Total incoming resources		450,730	908,253	2,791,803	4,150,786
RESOURCES EXPENDED					
Costs of generating funds					
Fundraising trading cost of goods sold and other costs	6	268,619	-	-	268,619
Charitable activities					
Academy's educational operations	7	-	1,306,895	76,563	1,383,458
Governance costs	8	-	37,049	-	37,049
Total resources expended	5	268,619	1,343,944	76,563	1,689,126
NET INCOMING RESOURCES BEFORE TRANSFERS					
		182,111	(435,691)	2,715,240	2,461,660
Gross transfers between funds	18	(97,383)	50,000	47,383	-
Net incoming/(outgoing) resources before other recognised gains and losses		84,728	(385,691)	2,762,623	2,461,660
Other recognised gains/losses					
Actuarial gains/losses on defined benefit schemes		-	18,000	-	18,000
Net movement in funds		84,728	(367,691)	2,762,623	2,479,660
TOTAL FUNDS CARRIED FORWARD		84,728	(367,691)	2,762,623	2,479,660

All of the The Wroxham Foundation's activities derive from acquisitions in the current period

The Wroxham Foundation

Balance Sheet At 31 August 2013

	Notes	£
FIXED ASSETS		
Tangible assets	12	2,762,623
Programme related investments	13	25
		<hr/> 2,762,648
CURRENT ASSETS		
Debtors	14	74,662
Cash at bank		313,252
		<hr/> 387,914
CREDITORS		
Amounts falling due within one year	15	(285,212)
		<hr/>
NET CURRENT ASSETS		102,702
		<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,865,350
PENSION LIABILITY	19	(385,690)
		<hr/>
NET ASSETS		2,479,660
		<hr/> <hr/>
FUNDS	18	
Unrestricted funds		
Unrestricted General Fund		84,728
Restricted funds		
Fixed Asset Fund		2,762,623
Restricted General Fund		(367,691)
		<hr/> 2,394,932
TOTAL FUNDS		<hr/> 2,479,660

The financial statements were approved by the Board of Trustees on
signed on its behalf by

S. Borden 2013

and were



Anthony Borden -Trustee

The notes form part of these financial statements

The Wroxham Foundation
Cash Flow Statement
for the Period 17 April 2012 to 31 August 2013

	Notes	£
Net cash inflow from operating activities	1	199,102
Cash transferred on conversion to an academy		162,886
Returns on investments and servicing of finance	2	(1,328)
Capital expenditure and financial investment	2	(47,408)
		<hr/>
Increase in cash in the period		<u><u>313,252</u></u>

Reconciliation of net cash flow to movement in net funds	3	
Increase in cash in the period		<u>313,252</u>
Change in net funds resulting from cash flows		<u>313,252</u>
Movement in net funds in the period		313,252
Net funds at 17 April		<hr/> -
Net funds at 31 August		<u><u>313,252</u></u>

All of the cash flows are derived from acquisitions in the current period

The notes form part of these financial statements

The Wroxham Foundation

**Notes to the Cash Flow Statement
for the Period 17 April 2012 to 31 August 2013**

1 RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	£
Net incoming resources	2,461,660
Depreciation charges	76,563
Capital grants from DfE/EFA	(201,994)
Transfer from Local Authority on conversion	145,305
Finance costs	1,328
Transfer from Governors on conversion	(2,516,000)
Increase in debtors	(74,662)
Increase in creditors	285,212
Difference between pension charge and cash contributions	<u>21,690</u>
Net cash inflow from operating activities	<u>199,102</u>

2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	£
Returns on investments and servicing of finance	
Finance costs	<u>(1,328)</u>
Net cash outflow for returns on investments and servicing of finance	<u>(1,328)</u>
 Capital expenditure and financial investment	
Purchase of tangible fixed assets	(2,839,186)
Purchase of programme related investments	(25)
Capital grants from DfE/EFA	201,994
Transfer by Governors on conversion	2,516,000
Transfer by Local Authority on conversion	<u>73,809</u>
Net cash outflow for capital expenditure and financial investment	<u>(47,408)</u>

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 17 4 12 £	Cash flow £	At 31 8.13 £
Net cash			
Cash at bank	-	313,252	313,252
	<u> </u>	<u> </u>	<u> </u>
Total	<u> </u>	<u>313,252</u>	<u>313,252</u>

The Wroxham Foundation

Notes to the Financial Statements for the Period 17 April 2012 to 31 August 2013

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, the Companies Act 2006, the requirements of the Statement of Recommended Practice Accounting and Reporting by Charities and the Academies Accounts Directions issued by the EFA

Going concern

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

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the academy trust is legally entitled to the income and the amount can be quantified with reasonable accuracy

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. GAG (General Annual Grant) provides funding for years ending 31 August and is accounted for on that basis. Grants are analysed according to the type of incoming resource they represent. Most grants are received as part of the academy trust's funding for educational operations.

Donations

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

Other income

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

Donated services and gifts in kind

The value of donated services and gifts in kind provided to the academy trust are recognised at an estimate of their gross 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 policies.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Cost 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 trustees' meetings and reimbursed expenses.



The Wroxham Foundation

Notes to the Financial Statements - continued for the Period 17 April 2012 to 31 August 2013

1 ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Freehold property	- 2% on cost
Furniture and equipment	- 20% on cost
Computer equipment	- 33% on cost

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.

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 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.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the academy trust. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in note 18.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

The Wroxham Foundation

Notes to the Financial Statements - continued for the Period 17 April 2012 to 31 August 2013

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement 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 19, the TPS is a multi-employer scheme and the academy trust 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.

Conversion to an academy

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

The assets and liabilities transferred on conversion from The Wroxham School to an academy trust have been valued at their fair value being a reasonable estimate of the current market value that the trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for the academy trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised as net income in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 20.

2. VOLUNTARY INCOME

	£
Donations	15,308
Donated services and facilities	2,516,000
	<hr/>
	2,531,308
	<hr/>

The Wroxham Foundation

**Notes to the Financial Statements - continued
for the Period 17 April 2012 to 31 August 2013**

3 ACTIVITIES FOR GENERATING FUNDS

	£
Extended school income	48,676
Hire of facilities	14,094
Catering income	38,718
Trip income	29,017
Music income	22,217
Other income	<u>126,123</u>
	<u>278,845</u>

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	Total funds £
DfE/EFA revenue grant			
General Annual Grant(GAG)	-	999,897	999,897
Start Up Grant	-	25,000	25,000
Other DfE/EFA Grants	<u>-</u>	<u>105,456</u>	<u>105,456</u>
	-	1,130,353	1,130,353
DfE/EFA capital grant			
Capital Grants	-	201,994	201,994
Other government grant			
Special Educational Projects	-	7,110	7,110
Local Authority Grants	<u>-</u>	<u>146,481</u>	<u>146,481</u>
	-	153,591	153,591
	<u>-</u>	<u>1,485,938</u>	<u>1,485,938</u>

5 RESOURCES EXPENDED

	Staff costs £	Non-pay expenditure Premises £	Other costs £	Total £
Costs of generating funds				
Fundraising trading cost of goods sold and other costs	148,805	-	119,814	268,619
Charitable activities				
Academy's educational operations				
Direct costs	760,938	40,085	128,547	929,570
Allocated support costs	<u>242,320</u>	<u>82,576</u>	<u>128,992</u>	<u>453,888</u>
	1,152,063	122,661	377,353	1,652,077
Governance costs including allocated support costs	<u>220</u>	<u>-</u>	<u>36,829</u>	<u>37,049</u>
	<u>1,152,283</u>	<u>122,661</u>	<u>414,182</u>	<u>1,689,126</u>

The Wroxham Foundation

**Notes to the Financial Statements - continued
for the Period 17 April 2012 to 31 August 2013**

5 RESOURCES EXPENDED - continued

Net resources are stated after charging/(crediting)

	£
Auditors' remuneration	7,500
Auditors' remuneration for non-audit work	1,200
Depreciation - owned assets	76,563
Hire of plant and machinery	<u>2,676</u>

6 FUNDRAISING TRADING COST OF GOODS SOLD AND OTHER COSTS

	£
Staff costs	148,805
Trips	29,017
Music	16,931
Other income	<u>73,866</u>
	<u>268,619</u>

7 RESOURCES EXPENDED FROM CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	Total funds £
Direct costs			
Teaching and educational support staff	-	760,938	760,938
Depreciation	-	65,079	65,079
Educational supplies	-	70,860	70,860
Staff development	-	6,154	6,154
Educational consultancy	-	6,863	6,863
Other direct costs	<u>-</u>	<u>19,676</u>	<u>19,676</u>
	-	929,570	929,570
Allocated support costs			
Support staff costs	-	242,320	242,320
Depreciation	-	11,484	11,484
Technology costs	-	48,242	48,242
Maintenance of premises and equipment	-	29,278	29,278
Cleaning	-	4,968	4,968
Rent and rates	-	9,715	9,715
Energy costs	-	11,311	11,311
Insurance	-	19,224	19,224
Security and transport	-	1,006	1,006
Catering	-	34,191	34,191
Other support costs	<u>-</u>	<u>42,149</u>	<u>42,149</u>
	-	453,888	453,888
	<u>-</u>	<u>1,383,458</u>	<u>1,383,458</u>

The Wroxham Foundation

Notes to the Financial Statements - continued for the Period 17 April 2012 to 31 August 2013

8. GOVERNANCE COSTS

	£
Reimbursed travel expenses	220
Auditors' remuneration	7,500
Auditors' remuneration for non-audit work	1,200
Legal and professional fees	28,129
	<u>37,049</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

The headteacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of headteacher and staff, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees. The value of trustees' remuneration for the period 1 June 2012 to 31 August 2013 was as follows

A Peacock (headteacher and trustee)	£75,000 - £80,000
M Vandewalle (staff trustee)	£50,000 - £55,000
S Day (staff trustee)	£35,000 - £40,000

Trustees' expenses

	£
Trustees' expenses	<u>220</u>

The expenses above were travel expenses reimbursed to one trustee

The Wroxham Foundation

Notes to the Financial Statements - continued for the Period 17 April 2012 to 31 August 2013

10 STAFF COSTS

	£
Wages and salaries	973,627
Social security costs	47,701
Other pension costs	129,335
	<hr/>
	1,150,663
Supply teacher costs	1,400
	<hr/>
	<u>1,152,063</u>

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

Teachers	27
Administration and support	21
Management	1
	<hr/>
	49
	<hr/>

The number of employees whose emoluments fell within the following bands was
£60,001 - £70,000

1

The above employee participated in the Teachers' Pension Scheme. During the period ended 31 August 2013, pension contributions for this employee amounted to £10,985

11. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £2,000,000 on any one claim and the premium cost for the period ended 31 August 2013 was £647. The cost of this insurance is included in the total insurance cost.

12. TANGIBLE FIXED ASSETS

	Freehold property £	Furniture and equipment £	Computer equipment £	Totals £
COST				
Additions	2,743,353	63,076	32,757	2,839,186
	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION				
Charge for year	47,159	15,769	13,635	76,563
	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE				
At 31 August 2013	2,696,194	47,307	19,122	2,762,623
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Included in cost or valuation of land and buildings is freehold land of £857,000

The Wroxham Foundation

**Notes to the Financial Statements - continued
for the Period 17 April 2012 to 31 August 2013**

13. PROGRAMME RELATED INVESTMENTS

	Equity £	Totals £
MARKET VALUE		
Additions	25	25
	<u>25</u>	<u>25</u>
NET BOOK VALUE		
At 31 August 2013	25	25
	<u>25</u>	<u>25</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£
Trade debtors	11,751
Other debtors	5,664
Prepayments and accrued income	57,247
	<u>74,662</u>
	<u>74,662</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£
Trade creditors	61,072
Social security and other taxes	14,390
Other creditors	103,605
Accruals and deferred income	106,145
	<u>285,212</u>
	<u>285,212</u>

At the balance sheet date the academy trust was holding funds received in advance for school trips scheduled for the school year ending 31 August 2014. In addition, the academy trust has deferred income received relating to Developing Special Provision Locally (DSPL) and Initial Teacher Training.

16. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

	Other operating leases £
Expiring	
Within one year	74
Between one and five years	3,475
	<u>3,549</u>
	<u>3,549</u>

The Wroxham Foundation

**Notes to the Financial Statements - continued
for the Period 17 April 2012 to 31 August 2013**

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted fund £	Fixed Asset Fund £	31.8.13 Total funds £
Fixed assets	-	-	2,762,623	2,762,623
Investments	25	-	-	25
Current assets	103,119	284,795	-	387,914
Current liabilities	(18,416)	(266,796)	-	(285,212)
Pension liability	-	(385,690)	-	(385,690)
	<u>84,728</u>	<u>(367,691)</u>	<u>2,762,623</u>	<u>2,479,660</u>

18. MOVEMENT IN FUNDS

	Net movement in funds £	Transfers between funds £	At 31.8.13 £
Unrestricted funds			
Unrestricted General Fund	182,111	(97,383)	84,728
Restricted funds			
Fixed Asset Fund	2,715,240	47,383	2,762,623
Restricted General Fund	(417,691)	50,000	(367,691)
	<u>2,297,549</u>	<u>97,383</u>	<u>2,394,932</u>
TOTAL FUNDS	<u>2,479,660</u>	<u>-</u>	<u>2,479,660</u>

Net movement in funds, included in the above are as follows

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted General Fund	450,730	(268,619)	-	182,111
Restricted funds				
Fixed Asset Fund	2,791,803	(76,563)	-	2,715,240
Restricted General Fund	908,253	(1,343,944)	18,000	(417,691)
	<u>3,700,056</u>	<u>(1,420,507)</u>	<u>18,000</u>	<u>2,297,549</u>
TOTAL FUNDS	<u>4,150,786</u>	<u>(1,689,126)</u>	<u>18,000</u>	<u>2,479,660</u>

The Wroxham Foundation

Notes to the Financial Statements - continued for the Period 17 April 2012 to 31 August 2013

18. MOVEMENT IN FUNDS - continued

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

Restricted general funds represents income and expenditure where there are restrictions imposed as to how the income can be spent. Most such income is in the form of various grants from the DfE, EFA and the local authority. The largest grant is the General Annual Grant (GAG) which is used for staff costs, educational resources and general costs incurred in the running of the academy trust. 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. Other grants received include Start Up Grant, Pupil Premium and SEN funding.

Unrestricted general funds represents income and expenditure relating to activities undertaken by the academy trust as part of its charitable activities. Unrestricted general funds can be used at the discretion of the trustees to meet the charitable objectives of the academy trust.

Restricted fixed asset funds represents income and expenditure relating to the purchase or other acquisition of land, buildings and capital equipment.

19. 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 Hertfordshire County Council. Both are defined-benefit schemes. The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 March 2010. Contributions amounting to £13,469 were payable to the schemes at 31 August and are included within creditors.

The Wroxham Foundation

Notes to the Financial Statements - continued for the Period 17 April 2012 to 31 August 2013

19. PENSION AND SIMILAR OBLIGATIONS - continued

Teachers' pension scheme

The Teachers' Pension Scheme ("TPS") is a statutory, contributory, defined benefit scheme. The regulations under which the TPS operates are the Teachers' Pensions Regulations 2010.

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

The Teachers' 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 (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

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

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

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

As from 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 Periods). 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 Wroxham Foundation

Notes to the Financial Statements - continued for the Period 17 April 2012 to 31 August 2013

19. PENSION AND SIMILAR OBLIGATIONS - continued

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 trust is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy trust has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

Local government pension scheme

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

The LGPS is a funded defined-benefit scheme, with the assets held in separate Trustee-administered funds. Contributions to the scheme are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The total contribution made for the period ended 31 August 2013 was £60,977, of which employer's contributions totalled £47,310 and employees' contributions totalled £13,667. The agreed contribution rates for future years are 23.6% for employers and a range of between 5.5% and 7.5% for employees, depending on salary levels.

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 amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans £
Present value of funded obligations	(601,667)
Fair value of plan assets	215,977
	<hr/> (385,690)
Deficit	<hr/> (385,690)
Liability	<hr/> (385,690) <hr/>

The Wroxham Foundation

**Notes to the Financial Statements - continued
for the Period 17 April 2012 to 31 August 2013**

19. PENSION AND SIMILAR OBLIGATIONS - continued

The amounts recognised in the statement of financial activities are as follows

	Defined benefit pension plans £
Current service cost	52,000
Interest cost	27,000
Expected return	(10,000)
	<u>69,000</u>
Actual return on plan assets	<u>34,000</u>

Changes in the present value of the defined benefit obligations are as follows

	Defined benefit pension plans £
Defined benefit obligation	(503,000)
Current service cost	(52,000)
Contributions by scheme participants	(13,667)
Interest cost	(27,000)
Actuarial losses/(gains)	(6,000)
	<u>(601,667)</u>

Changes in the fair value of scheme assets are as follows

	Defined benefit pension plans £
Fair value of scheme assets	121,000
Contributions by employer	47,310
Contributions by scheme participants	13,667
Expected return	10,000
Actuarial gains/(losses)	24,000
	<u>215,977</u>

The major categories of scheme assets as a percentage of total scheme assets are as follows

	Defined benefit pension plans
Equities	74%
Bonds	18%
Property	5%
Cash	3%

The Wroxham Foundation

Notes to the Financial Statements - continued for the Period 17 April 2012 to 31 August 2013

19. PENSION AND SIMILAR OBLIGATIONS - continued

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

Discount rate	4.6%
Expected return on scheme assets	5.9%
Future salary increases	5.1%
Future pension increases	2.8%

Amounts for the current period are as follows

	£
Defined benefit pension plans	
Defined benefit obligation	(601,667)
Fair value of scheme assets	215,977
Deficit	(385,690)

20. RELATED PARTY DISCLOSURES

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

No related party transactions took place in the period of account.

21. CONVERSION TO AN ACADEMY

On 1 June 2012 The Wroxham School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Wroxham Foundation 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.

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 Fund £	Total Funds £
Tangible fixed assets				
Freehold land and buildings	-	-	2,516,000	2,516,000
Other tangible fixed assets	-	-	73,809	73,809
Budget surplus on LA funds	162,886	-	-	162,886
LGPS pension (deficit)	-	(382,000)	-	(382,000)
Net assets/(liabilities)	162,886	(382,000)	2,589,809	2,370,695

The above net assets include £162,886 that was transferred as cash.

The Wroxham Foundation

**Notes to the Financial Statements - continued
for the Period 17 April 2012 to 31 August 2013**

21. CONVERSION TO AN ACADEMY - continued

On conversion the academy trust took over ownership of the land and buildings from which it operates in Wroxham Gardens in Potters Bar. As no value was paid on the transfer of the land and buildings, they have been included within the financial statements at their Depreciated Replacement Cost (DRC). The DRC was calculated by Mouchel, Chartered Surveyors on 26 July 2013. The trustees do not consider that the value would have been materially different as at 1 June 2012. Other assets transferred, such as furniture and computer equipment have been included at the trustees' estimate of their value at the conversion date.

