

**Carre's Grammar School Academy Trust  
(A Company Limited by Guarantee)**

**Annual Report and Financial Statements**

**Period ended 31 August 2012**

**Company Registration Number:  
7671174 (England and Wales)**



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## **Carre's Grammar School Academy Trust**

### **Reference and administrative details**

#### **Members**

W Cooke

K Dolby

RA Hutton

NM Law

JA Patrick (Resigned 18 January 2012)

#### **Governors**

EL Albuixech (appointed 18 September 2012)

AJ Allen

MR Barringer

CJ Boyce\*

S Burge\* (Resigned 31 October 2011)

Dr SJB Gilmore

RA Hutton (Chairman)\*

R Ketch\*

NM Law (Headteacher and Accounting Officer)\*

Reverend Canon JA Patrick (Resigned 18 January 2012)

V Postoyalko (Resigned 20 June 2012)

Sqn Ldr D Roberts

M Robertson (Vice-Chairman)\*

J Szewczyk\*

Cdr GD Titmus

SJB Walker\*

\*Also members of the Finance and Resources Committee

#### **Company Secretary**

JP Green

#### **Senior Management Team**

Assistant Headteacher	J Holland
Assistant Headteacher	M Moyes
Assistant Headteacher	AJ Wilkinson
Director of Finance and Administration	JP Green

#### **Registered Office**

Northgate  
Sleaford  
Lincolnshire  
NG34 7DD

**Carre's Grammar School Academy Trust**

**Reference and administrative details (continued)**

**Company Registration number** 7671174  
(England and Wales)

**Auditors**

S Moss FCCA  
Prestige Accounting Limited  
The Finance Centre  
Northgate  
Sleaford  
NG34 7RY

**Bankers**

Lloyds Bank  
2 Northgate  
Sleaford  
Lincolnshire  
NG34 7BL

## **Carre's Grammar School Academy Trust**

### **Governors' Report**

The governors present their annual report together with the audited financial statements of the Academy for the period ended 31 August 2012.

### **Structure, Governance and Management**

#### Constitution

Carre's Grammar School Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the school.

The trustees act as the trustees for the charitable activities of Carre's Grammar School Academy Trust. The governors are the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Carre's Grammar School Academy Trust.

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

#### Members' Liability

Each member of the Charitable Company undertakes to contribute to the assets of the Charitable Company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £1, for the debts and liabilities contracted before they ceased to be a member.

#### Governors' Indemnities

The governors are directors of the Charitable Company for the purposes of the Companies Act 1985.

During the 13 month review following the conversion to academy status on 1 August 2011 the governors have held five meetings and various committee meetings (the school has five committees). They have introduced a website aimed particularly at providing governor support and administration. The governor induction process was reviewed to fall in line with our new status as an academy. All governors receive copies of all documentation such as policies, reports, procedures and budgets in advance of any meetings. Each governor is encouraged to spend time visiting the school and their faculty links.

The governors are split into categories; parent, staff, foundation and co-opted. Staff governors are candidates who must be working at the school at the time of the election. Each governor is provided with policies on their roles and responsibilities, conduct as a governor and guidance on the general principles of behaviour.

The school at present does not have any business sponsors; however, the school does work closely with the primary heads from the feeder schools, other academies within the area and the Local Authority.

#### The Register of Interests

It is important that all staff and governors, whether they have significant financial or spending powers on behalf of the school, or are in a position to order goods for their department, demonstrate that they do not benefit personally from any decisions they make. At the start of each academic year all staff and governors declare, by signing a statement, any financial interests they have in companies/individuals from which the school may purchase goods or services. In addition, the opportunity to declare any new conflicts of interests is at every full Governing Body meeting and the F&R Committee as it is a mandatory agenda item.

The disclosures should also include business interests of relatives or business partners, where influence could be exerted over a governor or a member of staff by that person. This does not detract from the duties of governors and staff to declare interests whenever they are relevant to matters being discussed by the Governing Body or a Committee. Where an interest has been declared, governors and staff should not attend that part of any committee or other meeting.

**Governors' Report (continued)**

Principal Activities

The principle object and activity of the Charitable Company is the operation of Carre's Grammar School Academy Trust to provide education for students of different abilities between the ages of 11 and 19. In accordance with the Articles of Association the Charitable Company has adopted a "Scheme of Government" approved by the Secretary of State for Education. The school was judged as 'good with outstanding features' at the most recent Ofsted inspection. This reflects very well on the school's highly effective partnership between staff, students, parents and the wider community, all of whom are working together to deliver the high quality education that Carre's Grammar School is renowned for. Through the academy's activities the school is committed to lifelong learning. The school aims to enhance all students' educational experiences, to develop independent learners with transferrable skills that can be applied across a range of school subjects and also in later life.

The school, as an academy, now has autonomy to establish partnerships including those with other schools, institutions and businesses. The school is committed to sharing its expertise with the local community and as widely as possible. The school reviewed its existing policies on conversion to academy status and there have been no material amendments.

Method of Recruitment and Appointment or Election of Governors

The training and induction provided to governors will depend on their experience. Where necessary training in educational and financial matters will be provided. All new governors are given a tour of the school and the opportunity to meet with staff and students. As there are only very few changes in the governors, training is specifically tailored to the needs of the governor.

Policies and Procedures Adopted for the Induction and Training of Governors.

A new procedure was adopted for the appointment of a new governor on 18 September 2012. This included a tour of the school, introduction by the Chairman and the appointment of a Governor Mentor.

Organisational Structure

The full Governing Body is supported by 5 Committees as follows:

- The Strategy and Development Committee
- The Finance and Resources Committee
- The Teaching and Learning Committee
- The Personnel and Welfare Committee
- The Pay Committee

The management structure in place on conversion has not been altered. The structure consists of 3 levels; the Governors, the Senior Management Team and Department Management Teams. The aim of this structure is to devolve responsibility and encourage involvement and decision making at all levels.

The governors are responsible for setting general policy, adopting the budget and monitoring its variances, making decisions about the direction of the academy, major capital expenditure and senior staff appointments.

The Senior Management Team are the Headteacher, 3 Assistant Headteachers and the Director of Finance and Administration. This team controls the academy at executive level, implementing the policies laid down by the governors and reporting back to them.

The Department Management Teams include the Heads of Key Stage 3 and 4, Faculty Heads as well as the Support Staff Managers in catering, administration and premises.

**Governors' Report (continued)**

Responsibilities of Governors

The Governing Body has overall responsibility for the administration of the academy's finances. The responsibilities include:

- Ensuring the grant from DfE is used only for the purposes intended;
- Ensuring that funds are received according to the Academy's Funding Agreement;
- Approval of the annual budget;
- Appointment of the Headteacher;
- Appointment of the Finance Director in conjunction with the Headteacher;
- Decision on all Tenders (over £25,000 capital and non-capital);
- Setting the terms of reference for the sub-committees;
- Appointment of independent auditors.

The Governing Body has formally met 6 times during the year.

The Finance and Resources Committee

The responsibilities of the Finance and Resources Committee are as follows:

- Initial review and authorisation of the annual budget;
- Review of the school's accounting policies and procedures;
- The monitoring of the Management Accounts;
- Ensuring annual accounts are produced in accordance with the requirements of the companies act 2006 and the DfE guidance issued to academies;
- Initial review and authorisation of contracts over £10,000;
- Scrutiny of orders over £5,000, and the authorisation of BACS payments and cheques over £5,000;
- Authorising changes to the academy personnel establishment;
- Agreeing the appointment of the Auditors and Responsible Officer;
- Reviewing financial controls information provided by the responsible officer (these will also be reported to the full Governing Body);
- Writing off obsolete/unusable equipment from the Inventory;
- Reviewing and updating the risk register.

The Pay Committee

- Reviewing the Headteachers' annual remuneration;
- Approval of staff remuneration.

Risk Management

The governors have assessed the major risks to which the academy is exposed in particular to those risks relating to teaching provision, financial and health and safety. They have introduced systems (eg internal financial controls) to mitigate these risks and have also ensured that they have adequate insurance cover. The academy has a system of internal financial control and this is detailed in the following statement:



**Governors' Report (continued)**

Statement on the system of internal financial control

As governors we acknowledge that we have overall responsibility to ensure that Carre's Grammar School has an effective and efficient system of control both financial and otherwise. We have responsibility for keeping proper accounting records which

disclose, with proper accuracy, the financial position of the academy to enable us to ensure that the financial statements comply with the Companies Act. We also acknowledge our responsibility for correctly safeguarding the assets of the school and for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- The academy is operating effectively;
- The assets are safeguarded against unauthorised use or disposition;
- That proper records are maintained and information published is reliable;
- The school complies with relevant laws and regulations.

The school'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 monthly management accounts and financial reports which are reviewed by the Finance and Resources Committee and agreed by the Full Governing Body.
- Regular reviews by the Finance and Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans and capital work.

Connected Organisations, including Related Party Relationships

The school is not part of any formal federation with other schools but does work closely with the primary heads from the feeder schools, St George's Academy which is part of the Sleaford Joint Sixth Form, and the Local Authority.

Auditor

Insofar as the governors are aware:

- there is no relevant audit information of which the school's auditor is unaware; and
- the governors have taken all steps to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

It is proposed that the auditors are reappointed at the AGM convened on 11 December 2012.

**Governors' Report (continued)**

**Objectives and Activities**

Objects and aims

Carre's Grammar School has a long and proud history of achievement dating back to 1604, but we are focussed on meeting the contemporary needs of current and future students and preparing them for the world of tomorrow. We aim to provide opportunities at all levels for developing the character of the students and unlocking their potential through their participation in a wide range of educational experiences. This is provided by committed and professionally focussed staff who desire the attainment of excellence in teaching and learning outcomes. A culture of leadership and sense of community based on clearly expressed core values remains a key focus. Our aim is to build upon the school's achievements, utilising the school's current strengths to improve the areas that need developing, whilst recognising the opportunities and potential threats that exist, and which we perceive. This will enable us to realise our vision of creating a learning community in which every individual has the opportunities to attain his/her potential, intellectually, socially and personally, in a mutually supportive environment.

The main objectives of Carre's Grammar School during the period ended 31 August 2012 are summarised below:

- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- To raise the standard of educational achievement of all students;
- To Improve the effectiveness of the school by keeping the curriculum and organisation structure under continual review;
- To provide value for money for the funds expended;
- To comply with all appropriate statutory and curriculum requirements;
- To maintain close links with the community, our feeder primary schools and our partner senior school;
- To conduct the school's business in accordance with the highest standards of integrity, probity and openness.

Objectives, Strategies and Activities

The school's Strategic Plan outlines the key areas of focus for the 5 year period from 2012-2017 to enable realisation of the school's vision.

**1. Teaching and Learning**

**Objective**

To ensure that all students achieve to their potential through excellence in teaching and learning.

**Strategy**

- Embed a culture of innovation in teaching and learning to meets the challenges of a developing society;
- Embed core learning principles throughout the school;
- Review, develop and expand the curriculum to ensure that it is fit for purpose and meets the needs of future generations;
- Continue to build the capacity of the teaching staff to cater for individual student's learning differences, abilities and preferred learning styles in the classroom.

**2. Leadership and Management**

**Objective**

To ensure that there is consistent high quality leadership at all levels to enable delivery of the school vision.

**Strategy**

- Embed high quality monitoring and accountability processes, including clear management structures;
- Ensure high quality professional development for all staff and governors;
- Ensure that there is an effective recruitment and appointment process for all staff;
- Develop succession planning at all levels;
- Ensure that school governance makes a significant contribution to the work of the school.

**Governors' Report (continued)**

**3. Care, Guidance and Support**

**Objective**

To ensure that all students feel safe, valued and cared for and to cultivate resilient and confident young people.

**Strategy**

- Embed a shared and consistent understanding of CGS policy and practice across the whole school, including safeguarding, developing a culture where all members of staff embrace their collective responsibility to encourage and inspire all of the young people in their charge;
- Continue to provide effective transition and pre-transition programmes for students entering the school;
- Implement effective processes to monitor and evaluate the effectiveness of CGS care and guidance strategies and practice on learner attitudes and outcomes;
- Continue to foster a culture of achievement founded on positive Behaviour for Learning;
- To continue to foster a culture where learners are equipped and empowered to maximise their own learning, aspiring to achieve their full potential through the development of processes that challenge complacency and support robust self-review;
- To continue to develop the school's specialist expertise to ensure that learners with additional needs are effectively supported.

**4. Staffing**

**Objective**

To employ, develop and support people to enable them to become leading practitioners in their fields and who add significant value to learning experiences of the students in the school.

**Strategy**

- Embed effective personnel procedures in the school, including Safer Recruitment principles;
- Provide an effective CPD programme for all staff as a means of promoting and supporting their learning and enhancing their contribution to the school;
- Embed a rigorous Performance Management process in the school;
- Promote, recognise and reward excellence, and celebrate success.

**5. Community**

**Objective**

To maintain positive and enduring relationships within Carre's and the wider community.

**Strategy**

- Promote and embed a culture of philanthropy throughout the Carre's community;
- Strengthen awareness and recognition of the school's programmes and initiatives in the wider community;
- Maintain and enhance a profile in the wider community that ensures ongoing reputation and numbers on roll;
- Develop and foster a strong alumni programme.

**Governors' Report (continued)**

**6. Enrichment**

**Objective**

To fully develop students' skills, values, capacities and interests beyond the classroom.

**Strategy**

- Embed the importance of enrichment in the culture of the school;
- Develop the skills of staff and improve student leadership;
- Develop and embed the values and spiritual health of the school both within and without the community.

**7. Building for our future**

**Objective**

To develop outstanding facilities and financial security to support the vision, values and moral purpose of the school.

**Strategy**

- Review and update a prioritised list of facility developments;
- Develop an Environmental Sustainability Programme;
- Develop the Academy Trust.

*Public Benefit*

Carre's Grammar School staff and students are encouraged to have high expectations. Gifted students will be stretched; all students will be motivated by the choice of academic subjects on offer. Our expectation is for all students to give of their best and to expect to be educated throughout their lives. Carre's wants to achieve an excellent education for all of its students and only the very best practice will serve to equip students for a rapidly changing world. We are preparing students to play an active and positive role in society and are looking to develop effective teaching and learning methods so that our students will leave the school equipped to play a productive role in their community.

At the heart of the local community, the school encourages diversity, and promotes inclusion within a selective setting, adding real value to learners' educational experiences. It works with local schools and partners in education, health, the arts and business, to extend learning opportunities beyond the classroom, promoting collaboration, innovation and lifelong learning.

The students are caring citizens who respect themselves and others, being consulted and listened to. They take pride in themselves and their school, respecting others' rights to learn free from fear of failure or intimidation. They are contributors to the cultural life of the school and community, participating in and leading the diverse range of extended opportunities made possible by the energy and enthusiasm of staff.

Students are encouraged to see themselves as effective communicators and participators in their own learning. They are users of new technologies, extending their learning beyond the classroom. They should be equally confident as independent or team workers and are able to apply transferable and employability skills in our rapidly changing world.

Students receive quality advice and guidance in order for them to make informed choices. Teaching is inspirational and aspirational and takes account of students' abilities, needs and ambitions in order to promote learning for life and achievement for all.

The school's main investment now, and always will be, for the benefit of the students, and therefore there is a big investment in the staff. The team adds value to the school and its students through their professional skills and motivation. All colleagues should see themselves as lifelong learners, looking for opportunities to improve their practice and supporting others to do the same. All colleagues should be professionally confident partners in rigorous and robust self-evaluation where there is a culture of accountability, identifying and removing barriers to learning, and engaging in partnership with parents and carers to maximise learner potential through a variety of approaches and support

**Governors' Report (continued)**

Public Benefit (continued)

mechanisms. Staff teams should actively seek ways to be at the cutting edge of educational thinking, constantly reviewing and analysing school performance. They foster a safe, healthy and stimulating environment, where learners enjoy and achieve. All members of the school community should believe in the school's capacity to learn, change and improve.

Expectations of self and others will be high and contribute to the ultimate aim of providing learning for life and achievement for all through support, challenge and positive relationships.

The curriculum will evolve to meet the needs of a dynamic society, diverse and motivational, developing and incorporating new approaches to learning and teaching. Management systems will support staff, empower students and inform parents about progress. The whole school approach will ensure consistent high standards across subjects, years and individuals and promote and deliver learning for life within our wider community, providing relevant, user-friendly learning opportunities.

The school experience should engender a lifelong fondness, attachment to, and pride in Carre's that will encourage continued contact for alumni and provide a continuity of educational excellence for future generations.

**Achievements and Performance**

**GCSE**

- 99.2% 5 A\*/C and 5A\*/C EM
- Highest ever proportion of students achieving 55.2 % 5A\*/A
- Increased proportion of entries graded A\*/A from 2011 to 43%
- Ebacc indicator is 61%, which compares favourably with the county grammar schools
- Continued improvement in GCSE Spanish, but disappointing results in French
- Pleasing results in Art and Drama, but disappointing results in Music
- Proportion of students taking single sciences have fallen, but without the expected improvement in results across the board
- Maintained improvement in Maths with early entry and tutoring of borderline students paying dividends
- Much improved results in EP, Electronics and English Literature

**A Level**

- A2 results achieved at Carre's in terms of proportion of entries awarded grades A\* to B – 48%
- Better counselling and advice to ensure students opt for appropriate courses has taken place. This is reducing the proportion of U grades, and improving retention on courses from AS to A2.
- Value added analysis for AS is very encouraging and bodes well for improvements in progress measures at A Level this year.
- Rigorous assessment, tracking of progress and intervention has been identified as an area for improvement across the SJSF; in particular the need to reduce the number of U grades in light of funding arrangements and Success Rate criteria for Sixth Form providers.
- The vast majority of students leaving Carre's at the end of sixth form enter higher education, training or employment (the majority at their first choice of destination).

All students benefit from the breadth of curriculum in Key Stage 4 and from the huge choice in the Joint Sixth Form. The combination of vocational and academic subjects has proved popular. There have been extensive trips to support the curriculum and the Duke of Edinburgh Award scheme continues. There continues to be a strong sporting programme with competitive fixtures across a range of sports and Carre's continues to achieve notable successes against other schools, and representation at different levels, from county to international honours.

For the future we will be concentrating on improving academic performance, particularly in Science, Music and Modern Foreign Languages, whilst we continue to deliver a first class education across the Key Stages.

Going Concern

After making appropriate enquiries, the Governing Body has a reasonable expectation that the school 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 Accounting Policies note of the financial statements.

**Governors' Report (continued)**

**Financial Review**

Financial and Risk Management Objectives and Policies

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 on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period ending 31 August 2012 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body following an initial review by the Finance and Resources Committee.

Principle Risks and Uncertainties

The Principle Risks and Uncertainties faced by the school centre around the alliance and partnership with the surrounding schools and the Sleaford Joint Sixth Form and the DfE funding reforms being proposed of which the detail is uncertain.

Reserves Policy

Demands on the schools reserves are expected to vary over the coming years and therefore the policy is that the level of reserves should not fall below £200,000 without special consideration. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

The level of unrestricted reserves at the end period was £275,901 of which funds had been set aside for the refurbishment of the all weather pitch and fitness suite.

The level of restricted funds at the period end, excluding the restricted fixed asset fund and the pension reserve, amounted to £7,780,966.

Planned future building work to be undertaken by the school is expected to cost approximately £110,000 which will include refurbishment of the school house to enable 2 new classrooms to be created and to better use some of the smaller rooms.

These projects will be part of the capital expenditure in the next financial year

Investment Policy

The Governing Body has directed that investments are only to be made with "Blue Chip" institutions. Cash and bank holdings in excess of daily requirements are to be invested to obtain further income for the school.

**Plans for Future Periods**

In settings our objectives and planning our activities, the governors have given careful consideration to the Charity Commission's general guidance on public benefit.

Carre's Grammar School will continue striving to improve the levels of performance of its students at all levels and continue its efforts to ensure its students obtain employment, training or a place in higher education once they leave. The school's targets for 2012/2013 are:

- Average student attendance 96% or better;
- 100% of eligible students to attain 5 or more GCSE's graded A\*-C, including Mathematics and English;
- Sixth Form targets are 100% of Year 13 to pass A\*-E, with 50% passing A\*-B. Year 12 A\*- E target is 90%;
- Plans are being drawn to create 2 new classrooms in the school house ready to be open in September 2013.

**Funds held as Custodian Trustee on behalf of others [see SORP paragraph 59]**

There are no funds held as Custodian Trustee on behalf of others.

**Governors' Report (continued)**

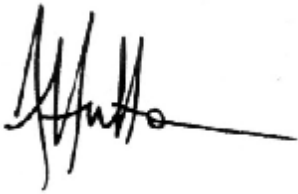
Auditor

Insofar as the governors are aware:

- there is no relevant audit information of which the school's auditor is unaware; and
- the governors have taken all steps to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

It is proposed that the auditors are reappointed at the AGM convened on 11 December 2012.

Approved by order of the members of the Governing Body on 11 December 2012. and signed on its behalf by:



.....  
**RA Hutton**  
**Chair**

**Governance Statement**

**Scope of Responsibility**

As governors, we acknowledge we have overall responsibility for ensuring that Carre's Grammar 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 that Carre's Grammar 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**

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 6 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

<b>Governor</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
A Allen	6	6
E Albuxech	0	Appointed 18/09/2012
M Barringer	4	6
CJ Boyce	6	6
S Burge	0	Resigned 30/09/2011
Dr SJB Gilmore	5	6
RA Hutton	6	6
R Ketch	5	6
NM Law	6	6
Reverend Canon JA Patrick	1	Resigned 18/01/2012
V Postoyalko	4	Resigned 20/06/2012
Sqn Ldr D Roberts	6	6
M Roberston	4	6
J Szewczyk	6	6
Cdr G Titmus	6	6
SJB Walker	4	6

The Finance and Resources Committee

This committee is a Committee of the Governing Body and has met formally 11 times during the year. Attendance during the year at meetings of the Finance and Resources Committee was as follows:

<b>Governor</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
CJ Boyce	10	11
S Burge	0	Resigned 30/09/2011
RA Hutton	9	11
R Ketch	9	11
NM Law	11	11
M Roberston	9	11
J Szewczyk	11	11
SJB Walker	4	11



**Governance Statement (continued)**

The Pay Committee

This committee is a Committee of the Governing Body and meets when required to reviewing the Headteachers' annual remuneration and also the approval of staff remuneration.

**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 the school 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 at Carre's Grammar School Academy Trust for the year ended 31 August 2012 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 on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ending 31 August 2012 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**

Carre's Grammar School'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 and Resources 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 Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors have appointed Simon Moss FCCA, as Responsible Officer (RO). The RO's role includes performing a range of checks on the academy trust's financial systems. On a quarterly basis, the RO reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

Carre's Grammar School confirms that the RO function has been fully delivered in line with the EFA's requirements throughout 2011/2012. There have been no material control issues arising as a result of the RO's work.

**Governance Statement (continued)**

**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 Director of Finance and Administration within the academy trust who has responsibility for the production of the Management and Financial Accounts.

Approved by order of the members of the Governing Body on 11 December 2012 and signed on its behalf by:



.....  
**RA Hutton**  
**Chair**



.....  
**NM Law**  
**Accounting Officer**

**Statement on Regularity, Propriety and Compliance**

As accounting officer of Carre's Grammar School Academy Trust I have considered my responsibility to notify the academy trust Governing Body and the Education Funding Agency (EFA) 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 Governing Body 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.



.....  
**NM Law**  
**Accounting Officer**

**Statement of Governors' Responsibilities**

The governors (who act as trustees for charitable activities and are also directors of Carre's Grammar School Academy Trust for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Annual Accounts Direction 2011/12 issued by the Education Funding Agency.

Company law requires the governors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the academy and of the incoming resources and application of resources, including the income and expenditure, of the academy for the year. 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 judgements 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 academy will continue in operation.

The governors are responsible for keeping adequate accounting records that are sufficient to show and explain the academy's transactions and disclose with reasonable accuracy at any time the financial position of the academy 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 academy 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 academy applies financial and other controls which conform to the requirements both of propriety and good financial management. They are also responsible for ensuring that grants received from the Education Funding Agency, Educational Funding Agency and Department for Education have been applied for the purposes intended.

Insofar as the governors are aware:

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

The governors are responsible for the maintenance and integrity of the corporate and financial information included on the academy'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 11 December 2012 and signed on its behalf by:



.....  
**RA Hutton**  
**Chair**

**Independent Auditor's Report to the members of Carre's Grammar School Academy Trust**

We have audited the financial statements of Carre's Grammar School Academy Academy Trust for the period ended 31 August 2012 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 Annual Accounts Direction 2011/12 issued by the Education Funding Agency.

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 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 academy trust and its 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, the governors (who are also the directors of the academy trust 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**

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 governors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' Report<sup>3</sup> 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 2012, 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 ; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Annual Accounts Direction 2011/12 issued by the Education Funding Agency.

**Carre's Grammar School Academy Trust**

**Independent Auditor's Report to the members of Carre's Grammar School Academy Trust (continued)**

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Governors' Annual Report<sup>3</sup> for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

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

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



.....  
*Mr S J Moss FCCA (Senior Statutory Auditor)*  
*For and on behalf of Prestige Accounting Limited*  
*Chartered Certified Accountants and Registered Auditors*  
*The Finance Centre*  
*34a Southgate*  
*Sleaford*  
*Lincolnshire*  
*NG34 7RY*

*11 December 2012*

## Carre's Grammar School Academy Trust

### Independent Reporting Accountant's Assurance Report on Regularity to Carre's Grammar School Academy Trust and the Education Funding Agency

In accordance with the terms of our engagement letter and further to the requirements of the Education Funding Agency (EFA) as included in the Academies: Accounts Direction 2011/12, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Carre's Grammar School Academy Trust during the period 1 August 2011 to 31 August 2012 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Carre's Grammar School Academy Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Carre's Grammar School Academy Trust and the EFA 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 Carre's Grammar School Academy Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

#### Respective responsibilities of Carre's Grammar School Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Carre's Grammar School Academy Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook as published by DfES in 2006, 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 2011/12. 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 1 August 2011 to 31 August 2012 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 2011/12 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 matters 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 1 August 2011 to 31 August 2012 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



.....  
Mr S J Moss FCCA (Senior Statutory Auditor)  
For and on behalf of Prestige Accounting Limited  
Chartered Certified Accountants and Registered Auditors  
The Finance Centre  
34a Southgate  
Sleaford  
Lincolnshire  
NG34 7RY

11 December 2012

**Statement of Financial Activities for the period ended 31 August 2012  
(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	<b>Total 2012 £</b>
<b>Incoming resources</b>					
<i>Incoming resources from generated funds:</i>					
Voluntary income	3	-	-	152,553	152,553
Transfer from local authority on conversion	28	140,607	212,185	8,029,894	8,382,686
Activities for generating funds	4	144,881	238,761	-	383,642
Investment income	5	3,085	-	-	3,085
<i>Incoming resources from charitable activities:</i>					
Funding for the Academy's educational operations	6	-	4,308,680	-	4,308,680
<b>Total incoming resources</b>		<b>288,573</b>	<b>4,759,626</b>	<b>8,182,447</b>	<b>13,230,646</b>
<b>Resources expended</b>					
<i>Cost of generating funds:</i>					
<i>Costs of generating voluntary income</i>					
<i>Fundraising trading</i>					
<i>Charitable activities:</i>					
Academy's educational operations	8	32,672	4,235,259	19,901	4,287,832
<i>Governance costs</i>	9	-	46,947	-	46,947
<i>Other resources expended:</i>					
Transfer from local authority on conversion	28	-	698,000	-	698,000
<b>Total resources expended</b>	7	<b>32,672</b>	<b>4,980,206</b>	<b>19,901</b>	<b>5,032,779</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>255,901</b>	<b>(220,580)</b>	<b>8,162,546</b>	<b>8,197,867</b>
Gross transfers between funds	16	20,000	(182,365)	162,365	-
<b>Net income/(expenditure) for the year</b>		<b>275,901</b>	<b>(402,945)</b>	<b>8,324,911</b>	<b>8,197,867</b>
<b>Other recognised gains and losses</b>					
Actuarial (losses)/gains on defined benefit pension schemes	16, 26	-	(141,000)	-	(141,000)
<b>Net movement in funds</b>		<b>275,901</b>	<b>(543,945)</b>	<b>8,324,911</b>	<b>8,056,867</b>
<b>Funds carried forward at 31 August 2012</b>		<b>275,901</b>	<b>(543,945)</b>	<b>8,324,911</b>	<b>8,056,867</b>

All of the Academy's activities derive from acquisitions in the current financial period.

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

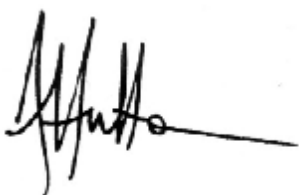


**Carre's Grammar School Academy Trust**

**Balance sheet as at 31 August 2012**

	Notes	2012 £	2012 £
<b>Fixed assets</b>			
Tangible assets	13		8,271,785
<b>Current assets</b>			
Debtors	14	100,378	
Cash at bank and in hand		<u>653,072</u>	
		753,450	
<b>Creditors: Amounts falling due within one year</b>	15	<u>(114,368)</u>	
<b>Net current assets</b>			639,082
Total assets less current liabilities			<u>8,910,867</u>
<b>Net assets excluding pension liability</b>			
Pension scheme liability	26		(854,000)
<b>Net assets including pension liability</b>			<u>8,056,867</u>
<b>Funds of the academy:</b>			
<b>Restricted funds</b>			
Fixed asset fund(s)	16		8,324,911
General fund(s)	16		310,055
Pension reserve	16		<u>(854,000)</u>
<b>Total restricted funds</b>			7,780,966
<b>Unrestricted funds</b>	16		275,901
<b>Total funds</b>			<u>8,056,867</u>

The financial statements were approved by the Governors, and authorised for issue on 6 December 2012 and are signed on their behalf by:



.....  
**RA Hutton**  
**Chair**

Company Limited by Guarantee  
 Registration Number 7671174

**Carre's Grammar School Academy Trust**

**Cash Flow Statement for the period ended 31 August 2012**

	Notes	<b>2012</b> <b>£</b>
<b>Net cash inflow from operating activities</b>	20	459,560
Returns on investments and servicing of finance	21	3,085
Capital expenditure	22	(162,365)
Cash transferred on conversion to an academy trust	28	352,792
<b>Increase in cash in the year</b>	23	<u>653,072</u>
<b>Reconciliation of net cash flow to movement in net funds</b>		
Net funds at 1 August 2011		-
<b>Net funds at 31 August 2012</b>		<u>653,072</u>

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

Notes to the Financial Statements for the Period Ended 31 August 2012

**1 Accounting Policies**

**Basis of Preparation**

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Annual Academies Accounts Direction 2011/12 issued by the Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

**Going Concern**

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

**Incoming Resources**

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

- **Grants receivable**

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

- **Donations**

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

- **Other income**

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

Notes to the Financial Statements for the Year Period 31 August 2012 (continued)

1 Accounting Policies (continued)

- **Donated Services and Gifts in Kind**

The value of donated services and gifts in kind provided to the Academy 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 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 the Academy's policies.

**Resources Expended**

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. All stock is expensed as perishable..

- **Costs of generating funds**

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

- **Charitable activities**

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

- **Governance Costs**

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

All resources expended are inclusive of irrecoverable VAT.

**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 Carre's Grammar School to an academy trust have been valued at their fair value being a reasonable estimate of the current market value that the governors 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 Carre's Academy Trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income as net income in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Land and buildings have been included at the values stated in the valuation prepared by Messrs Driver, Jonas Deloitte for the Education Funding Agency at 31 August 2012. A number of other assets were transferred from Lincolnshire County Council to the academy on conversion, being mainly furniture and ICT equipment. Since the governors are unable to quantify the value of these assets at 1 August 2011, no entry has been made in the financial statements for these assets. The deficit on the Local Government Pension Scheme (LGPS) on conversion has been included at the amount shown on the FRS17 valuation carried out by Hymans Robertson at 1 August 2011. Further details of the transaction are set out in note 30.

Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

1 Accounting Policies (continued)

**Tangible Fixed Assets**

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

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

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

Long leasehold buildings	2% of cost
Building improvements	10% of cost
Fixtures, fittings and equipment	25% of cost
ICT equipment	25% of cost

Long leasehold buildings have not been depreciated in this period as the value of these assets brought into the financial statements on conversion was based on the valuation carried out by Messrs Driver Jonas Deloitte for the Education Funding Agency as at 31 August 2012.

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

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

**Leased Assets**

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

**Taxation**

The Academy 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 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.

Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

1 Accounting Policies (continued)

**Pensions Benefits**

Retirement benefits to employees of the Academy 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.

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 in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 27, the TPS is a multi-employer scheme and the Academy 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 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 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/Young People's Learning Agency/Department for Education/sponsor/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/Young People's Learning Agency/Department for Education.

Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

2 General Annual Grant (GAG)

<b>a Results and carry forward for the year</b>	<b>2012</b>
	<b>£</b>
GAG brought forward from previous year	
GAG allocation for current year	4,106,565
<b>Total GAG available to spend</b>	<u>4,106,565</u>
Recurrent expenditure from GAG	(3,826,628)
Fixed assets purchased from GAG	(70,177)
<b>GAG carried forward to next year</b>	<u>209,760</u>
Maximum permitted GAG carry forward at end of current year (12% of allocation for current year)	(492,787)
<b>GAG to surrender to DfE</b>	<u>-</u>
(12% rule breached if result is positive)	No Breach

3 Voluntary Income

	Unrestricted Funds £	Restricted Funds £	Total 2012 £
Capital grants	-	16,926	16,926
Private sponsorship	-	-	-
Other donations	-	135,627	135,627
	<u>-</u>	<u>152,553</u>	<u>152,553</u>

4 Activities for Generating Funds

	Unrestricted Funds £	Restricted Funds £	Total 2012 £
Hire of facilities	141,841	-	141,841
Catering	-	143,290	143,290
Salary reclaims	-	39,967	39,967
Music lessons	-	28,716	28,716
Exam fees	-	11,443	11,443
Class sales	-	11,885	11,885
Other	3,040	3,460	6,500
	<u>144,881</u>	<u>238,761</u>	<u>383,642</u>

Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

5 Investment Income

	Unrestricted Funds £	Restricted Funds £	Total 2012 £
Short term deposits	3,085	-	3,085
	<u>3,085</u>	<u>-</u>	<u>3,085</u>

6 Funding for Academy's Educational Operations

	Unrestricted Funds £	Restricted Funds £	Total 2012 £000
<b>DfE/YPLA/EFA revenue grants</b>			
General Annual Grant (GAG) (note 2)	-	4,106,565	4,106,565
Start Up Grants	-	-	-
Standards fund grant	-	20,958	20,938
Pupil premium grant	-	21,200	21,200
PE teacher grant	-	7,600	7,600
Other DfE/YPLA/EFA grants	-	16,492	16,492
	<u>-</u>	<u>4,172,815</u>	<u>4,172,795</u>
<b>Other Government grants</b>			
Local authority standards fund grant	-	49,462	49,462
Local authority 1:1 fund grant	-	21,060	21,060
Community sport funding	-	61,268	61,268
Other projects	-	4,075	4,075
	<u>-</u>	<u>135,865</u>	<u>135,865</u>
	<u>-</u>	<u>4,308,680</u>	<u>4,308,660</u>

7 Resources Expended

	Staff Costs £	Non Pay Expenditure		Total 2012 £
		Premises £	Other Costs £	
Costs of generating voluntary income				
Costs of activities for generating funds				
Academy's educational operations				
Direct costs	2,923,312	-	426,651	3,349,963
Allocated support costs	550,730	241,829	145,310	937,869
	<u>3,474,042</u>	<u>241,829</u>	<u>571,961</u>	<u>4,287,832</u>
Governance costs including allocated support costs	-	-	46,947	46,947
	<u>-</u>	<u>-</u>	<u>46,947</u>	<u>46,947</u>

The method used for the apportionment of support costs is disclosed in the accounting policies.



Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

7 Resources Expended (continued)

	2012 £
<b>Incoming/outgoing resources for the year include:</b>	
Operating leases	9,663
Fees payable to auditor	
Audit	7,440
Other services	3,345
	<u>3,345</u>

8 Charitable Activities - Academy's Educational Operations

	Unrestricted Funds £	Restricted Funds £	Total 2012 £
<b>Direct costs</b>			
Teaching and educational support staff			
Costs	-	2,923,312	2,923,312
Educational supplies	-	150,639	150,639
Examination fees	-	92,198	92,198
Staff development	-	20,094	20,094
Other direct costs	-	163,720	163,720
	<u>-</u>	<u>3,349,963</u>	<u>3,349,963</u>
<b>Allocation supported costs</b>			
Support staff costs	2,305	548,425	550,730
Depreciation	-	19,901	19,901
Maintenance of premises and equipment	-	66,154	66,154
Other premises costs	30,367	36,965	67,332
Cleaning	-	3,616	3,616
Rent & rates	-	44,648	44,648
Insurance	-	7,945	7,945
Light & heat	-	52,134	52,134
Postage and stationery	-	19,781	19,781
Administration	-	9,886	9,886
Security and transport	-	9,577	9,577
Catering	-	85,005	85,005
Other support costs	-	1,160	1,160
	<u>32,672</u>	<u>905,197</u>	<u>937,869</u>
	<u>32,672</u>	<u>4,255,160</u>	<u>4,287,832</u>

Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

9 Governance Costs

	Unrestricted Funds £	Restricted Funds £	Total 2012 £
Legal and professional fees		36,162	36,162
Auditor's remuneration*			
• Audit of financial statements	-	7,440	7,440
• Responsible officer audit	-	375	375
• Accountancy, taxation and other services	-	2,970	2,970
	<u>          </u>	<u>          </u>	<u>          </u>
		46,947	46,947

10 Staff Costs

	2012 £
Staff costs during the period were:	
Wages and salaries	2,773,165
Social security costs	241,891
Pension costs	420,019
	<u>          </u>
	3,435,075
Supply teacher costs	33,967
Compensation payments	5,000
	<u>          </u>
	3,474,042

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

	2012 Number	2012 Full-time equivalent
<b>Charitable Activities</b>		
Teachers	47	42.5
Administration and support	47	30
Management	5	5
	<u>          </u>	<u>          </u>
	99	77.5

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

	2012
£60,001 - £70,000	3
£70,001 - £80,000	-
£80,001 - £90,000	1
	<u>          </u>
	4

Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

10 Staff Costs (continued)

45 of the above employees participated in the Teacher's Pension Scheme. During the period ended 31 August 2012, pension contributions for these staff amounted to £272,604. 43 other employees participated in the Local Government Pension Scheme. During the period ended 31 August 2012 pension contributions for these staff amounted to £147,415.

11 Governors' Remuneration and Expenses

Principal and staff governors (trustee governors) only received remuneration in respect of services they provided undertaking the roles of Principal and staff and not in respect of their services as governors. Other governors did not receive any payments, other than expenses, from the Academy in respect of their role as governors. The value of governors' remuneration was as follows:

Headteacher	£83,024
Other staff governor	£46,774
Other staff governor	£45,711
Other staff governor	£39,066

During the period ended 31 August 2012, travel and subsistence expenses totalling £2,017 were reimbursed to 3 governors. Related party transactions involving the governors are set out in note 28.

12 Governors' and Officers' Insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the period ended 31 August 2012 was £1,387.

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

13 Tangible Fixed Assets

	Long Leasehold Land and Buildings £	Leasehold Property Improvements £	Furniture and Equipment £	Computer Equipment £	Motor Vehicles £	Total £
<b>Cost</b>						
Transfer on conversion	8,029,894	-	-	-	-	<b>8,029,894</b>
Additions	-	175,079	79,618	7,095	-	<b>261,792</b>
At 31 August 2012	<u>8,029,894</u>	<u>175,079</u>	<u>79,618</u>	<u>7,095</u>	<u>-</u>	<b><u>8,291,686</u></b>
<b>Depreciation</b>						
Charged in year	-	7,160	11,854	887	-	<b>19,901</b>
At 31 August 2012	<u>-</u>	<u>7,160</u>	<u>11,854</u>	<u>887</u>	<u>-</u>	<b><u>19,901</u></b>
<b>Net book value</b>						
At 31 August 2012	<u>8,029,894</u>	<u>167,919</u>	<u>67,764</u>	<u>6,208</u>	<u>-</u>	<b><u>8,271,785</u></b>

Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

14 Debtors

	<b>2012</b>
	<b>£</b>
Trade debtors	8,913
Prepayments	37,109
VAT	19,981
Other debtors	34,375
	<u>100,378</u>

15 Creditors: amounts falling due within one year

	<b>2012</b>
	<b>£</b>
Trade creditors	75,284
Accruals and deferred income	39,084
	<u>114,368</u>

## Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

## 16 Funds

	Incoming Resources £	Resources Expended £	Gains, Losses and Transfers £	Balance at 31 August 2012 £
<b>Restricted general funds</b>				
General Annual Grant (GAG)	4,106,565	(3,826,628)	(70,177)	209,760
Devolved capital	68,917	-	(68,917)	-
Standards Fund	184,335	(110,402)	(23,271)	50,662
1:1 Funding	21,060	(17,820)	-	3,240
Pupil premium	21,200	(704)	-	20,496
PE Teacher	7,600	(7,600)	-	-
Community Sports	90,613	(47,903)	(20,000)	22,710
YST Lead Specialism	4,075	(888)	-	3,187
Cookery	8	(8)	-	-
Other DfE/YPLA/EFA grants	16,492	(16,492)	-	-
Other income	238,761	(238,761)	-	-
	4,759,626	(4,267,206)	(182,365)	310,055
Pension reserve	-	(713,000)	(141,000)	(854,000)
	4,759,626	(4,980,206)	(323,365)	(543,945)
<b>Restricted fixed asset funds</b>				
Fixed asset	-	(19,901)	8,291,686	8,271,785
DfE/YPLA/EFA capital grants	16,926	-	(16,926)	-
Other funding/donations	8,112,395	-	(8,112,395)	-
Capital expenditure from GAG NKDC S.106	53,126	-	-	53,126
	8,182,447	(19,901)	162,365	8,324,911
<b>Total restricted funds</b>	12,942,073	(5,000,107)	(161,000)	7,780,966
<b>Unrestricted funds</b>				
General	288,573	(32,672)	(48,665)	207,236
All weather pitch	-	-	61,061	61,061
Fitness Suite	-	-	7,604	7,604
<b>Total unrestricted funds</b>	288,573	(32,672)	20,000	275,901
<b>Total funds</b>	13,230,646	(5,032,779)	(141,000)	8,056,867

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

1. General Annual Grant (GAG) - is used to fund the operating costs of the Academy. Following the re-write of the Academies Financial Handbook there is no longer a restriction on the amount the company is allowed to carry forward.
2. The other restricted fund grants are funding for the specific purpose shown above.
3. Other income is income generated for specific purposes.
4. The pension reserve represents the Academy's share of the LGPS Pension Fund Deficit.

## Carre's Grammar School Academy Trust

5. The restricted fixed asset fund is not available for spending as it represents the net book value of fixed assets transferred to the Academy on conversion and subsequent additions. Future depreciation will be charged to this fund.

### Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

6. The NKDC S.106 Fund is an amount received from North Kesteven District Council to be used on future capital expenditure of the Academy.
7. The unrestricted funds can be utilised by the Academy as necessary but amounts have been designated for use in refurbishing the all weather pitch and fitness suite.

### 17 Analysis of net assets between funds

Fund balances at 31 August 2012 are represented by:

	<b>Unrestricted Funds £</b>	<b>Restricted General Funds £</b>	<b>Restricted Fixed Asset Funds £</b>	<b>Total Funds £</b>
Tangible fixed assets	-	-	8,271,785	8,271,785
Current assets	275,901	424,423	53,126	753,450
Current liabilities	-	(114,368)	-	(114,368)
Pension scheme liability	-	(854,000)	-	(854,000)
<b>Total net assets</b>	<b>275,901</b>	<b>(543,945)</b>	<b>8,324,911</b>	<b>8,056,867</b>

Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

**18 Capital commitments**

There were no capital commitments at 31 August 2012.

**19 Financial commitments**

***Operating leases***

At 31 August 2012 the Academy had annual commitments under non-cancellable operating leases as follows:

**Other**

Expiring within one year	824
Expiring within two and five years inclusive	1,000
	<u>1,824</u>

**20 Reconciliation of net income to net cash inflow from operating activities**

	<b>2012</b>
	<b>£</b>
Net income	8,197,867
Depreciation (note 13)	19,901
Capital grants from DfE/YPLA/EFA and other capital income	(99,427)
Transfer on conversion	(7,684,686)
Interest receivable (note 5)	(3,085)
FRS 17 pension cost less contributions payable (note 26)	(17,000)
FRS 17 pension finance income (note 26)	32,000
(Increase) in debtors	(100,378)
Increase in creditors	114,368
<b>Net cash inflow from operating activities</b>	<u><b>459,560</b></u>

**21 Returns on investments and servicing of finance**

	<b>2012</b>
	<b>£</b>
Interest received	3,085
<b>Net cash inflow from returns on investment and servicing of finance</b>	<u><b>3,085</b></u>

Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

**22 Capital expenditure and financial investment**

	<b>2012</b>
	<b>£</b>
Purchase of tangible fixed assets	261,792
Capital grants from DfE/YPLA/EFA	(16,926)
Capital funding received from sponsors and others	(82,501)
<b>Net cash outflow from capital expenditure and financial investment</b>	<u>162,365</u>

**23 Analysis of changes in net funds**

	At 1 August 2011 £	Cash flows £	At 31 August 2012 £
Cash in hand and at bank	-	653,072	653,072
	<u>                    </u>	<u>653,072</u>	<u>653,072</u>

**24 Contingent Liabilities**

There were no contingent liabilities at 31 August 2012.

**25 Members' Liability**

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £11 for the debts and liabilities contracted before he/she ceases to be a member.

**26 Pension and similar obligations**

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

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

There were no outstanding or prepaid contributions at the end of the financial period.

**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.



Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

**26 Pension and similar obligations (continued)**

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 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable. The cost-sharing agreement also introduced – effective for the first time for the 2008 valuation – a 14% cap on employer contributions payable.

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

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

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

Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

26 Pension and similar obligations (continued)

**Local Government Pension Scheme**

The academy 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 2012 was £187,000, of which employer's contributions totalled £147,000 and employees' contributions totalled £40,000. The agreed contribution rates for future years are 22.8% including employee contributions of between 5.5% and 7.5% depending on salary levels. The employer's contribution rate includes an additional contribution of 5.3% over a period of 20 years, so as to eliminate the pension fund deficit.

As described in note 1 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 following information is based on the Actuarial Valuation carried out for FRS17 purposes at 31 August 2012 by Hyman's Robertson LLP:

**Principal Actuarial Assumptions**

	<b>At 31 August 2012</b>
Pension increase rate	2.2%
Salary increase rate	4.5%
Expected return on assets	5.0*%
Discount rate	4.1%

An allowance is included for future retirements to elect to take 25% of the maximum additional tax-free cash up to HMRC limits for pre-April 2008 service and 63% of the maximum tax-free cash for post-April 2008 service.

\*The salary increases to be 1% until 31 March 2015 reverting to the long term assumption shown thereafter.

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

	<b>At 31 August 2012</b>
<i>Retiring today</i>	
Males	21.2
Females	23.4
<i>Retiring in 20 years</i>	
Males	23.7
Females	25.7

Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

26 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	Expected return at 31 August 2012	Fair value at 31 August 2012 £000
Equities	5.5%	534
Bonds	3.7%	92
Property	3.7%	78
Cash	2.8%	7
<b>Total market value of assets</b>		<u>711</u>
Present value of scheme liabilities		
- Funded		(1,565)
<b>Surplus/(deficit) in the scheme</b>		<u>(854)</u>

The actual return on scheme assets was £17,000.

Amounts recognised in the statement of financial activities

	2012 £000
Current service cost	(130)
Employers contribution	147
Total operating charge	<u>17</u>

Analysis of pension finance income / (costs)

Expected return on pension scheme assets	41
Interest on pension liabilities	(73)
<b>Pension finance income / (costs)</b>	<u>(32)</u>

Analysis of amount recognised in the statement of total recognised gains and losses

Actuarial gains/(losses) on scheme assets	(25)
Actuarial gains/(losses) on scheme liabilities	(116)
<b>Actuarial gains/(losses) recognised in the statement of total recognised gains and losses</b>	<u>(141)</u>

The actual 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 £141,000 loss.

Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

26 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	<b>2012 £000</b>
<b>Obligation on conversion</b>	1,206
Current service cost	130
Interest cost	73
Employee contributions	40
Actuarial (gain)/loss	116
<b>At 31 August 2012</b>	<u>1,565</u>

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

	<b>2012 £000</b>
<b>Assets on conversion</b>	508
Expected return on assets	41
Actuarial gain/(loss)	(25)
Employer contributions	147
Employee contributions	40
<b>At 31 August 2012</b>	<u>711</u>

The estimated value of employer contributions for the year ended 31 August 2013 is £139,000.

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

	<b>2012 £000</b>
<b>Present value of defined benefit obligations</b>	(1,565)
<b>Fair value of share of scheme assets</b>	711
<b>Surplus/(Deficit) in the scheme</b>	<u>(854)</u>
<b>Experience adjustments on share of scheme assets</b>	<u>(25)</u>
<b>Experience adjustments on scheme liabilities:</b>	<u>-</u>

**Notes to the Financial Statements for the Period Ended 31 August 2012  
(continued)**

**26 Pension and similar obligations (continued)  
Local Government Pension Scheme (continued)**

**Sensitivity Analysis**

	<b>Approximate % increase to Employer Liability</b>	<b>Approximate monetary amount (£000)</b>
Change in assumptions at 31 August 2012		
0.5% decrease in Real Discount Rate	14%	220
1 year increase in member life expectancy	3%	47
0.5% increase in Salary Increase Rate	7%	111
0.5% increase in the Pension Increase Rate	6%	102

**27 Related Party Transactions**

The Academy occupies the leasehold buildings at a peppercorn rent under the terms of a 125 year lease that commenced on 1 August 2011. The landlords are an excepted charity the "Foundation of Carre's Grammar School", and four of the trustees of this charity are also members of Carre's Grammar School Academy Trust.. The unincorporated registered charitable trust is a related party by virtue of all four of it's trustees also being governors (trustees) of the charitable company, A rent of £1,200 was paid to the Foundation of Carre's Grammar School in the period.

Notes to the Financial Statements for the Period Ended 31 August 2012 (continued)

28 Conversion to an Academy Trust

On 1 August 2011 the Carre's Grammar School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Carre's Academy Trust from the Lincolnshire County Council 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/resources expended in the Statement of Financial Activities as voluntary income/other resources expended.

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 Funds £
Tangible fixed assets				
Freehold / leasehold land and buildings	-	-	8,029,894	8,029,894
Budget surplus / (deficit) on LA funds	140,607	212,185	-	352,792
Budget surplus / (deficit) on other school funds				
LGPS pension surplus / (deficit)	-	(698,000)	-	(698,000)
<b>Net assets / (liabilities)</b>	<u>140,607</u>	<u>(485,815)</u>	<u>8,029,894</u>	<u>7,684,686</u>

The above net assets include £352,792 that was transferred as cash.