

**Cox Green School**  
(A company limited by guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

for the year ended

31 August 2013

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COMPANIES HOUSE

Company Registration No 07831255

# Cox Green School

## REFERENCE AND ADMINISTRATIVE DETAILS

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GOVERNORS (TRUSTEES)	D Armstrong C A Ashfield M C Cawte H E Cox (appointed 4 December 2012) G M Dance J Doarks K E Foreman J Frost (resigned 1 September 2012) N R Keene G E Lilley P Louden S Lumb R J Mignot P J Morse P M Powell C Saxon C E Sheehan (resigned 16 October 2012) A Stephen (appointed 22 October 2012) H Swidenbank P Thorn K White T Wilson (resigned 5 November 2012)
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There are currently vacancies for 2 parent governors and 1 community governor

COMPANY SECRETARY	G Newman
SENIOR MANAGEMENT TEAM	
DEPUTY PRINCIPAL	E Hillyard
DEPUTY PRINCIPAL	C Thomas
HEADTEACHER AND REGISTERED OFFICE	H Swidenbank Cox Green School Highfield Lane Maidenhead Berkshire SL6 3AX
COMPANY REGISTRATION NUMBER	07831255 (England and Wales)
INDEPENDENT AUDITOR	Baker Tilly UK Audit LLP Springpark House Basing View Basingstoke Hampshire RG21 4HG
BANKERS	Lloyds TSB 45 High Street Maidenhead Berkshire SL6 1JS

# Cox Green School

## REFERENCE AND ADMINISTRATIVE DETAILS (Continued)

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SOLICITORS

Veale Wazborough Vizards  
Orchard Court  
Orchard Lane  
Bristol  
BS1 5WS

# Cox Green School

## GOVERNORS' REPORT

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The governors present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2013

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Status and History**

Cox Green School is an exempt charity and a company limited by guarantee, not having share capital. Every member undertakes to contribute an amount not exceeding £10 to the assets of the company in the event of the company being wound up during the period of membership, or within one year thereafter.

The current members of the charitable company are included in the Reference and Administrative Details on page 1.

The principal activity of the Academy School is currently to run a senior school for boys and girls located in Maidenhead, Berkshire.

Cox Green School runs a school that was originally a local authority operated school in Maidenhead, Berkshire that was founded in 1967 and converted to academy status on 1 December 2011. The charitable company was incorporated on 1 November 2011.

Cox Green School is governed by the rules and regulations set down in its company Memorandum and Articles of Association dated 20 October 2011.

#### **Organisational Structure**

The governors have responsibility for setting and monitoring the overall strategic direction of the charitable company, approving decisions reserved to governors and appointing key members of staff.

The governors meet as a board five or six times each year. All decisions reserved to the governors are taken by the board as a whole. Board committees meet three or four times each year to consider detailed matters and recommend decisions to the full board.

There are 6 such committees.

#### **Leadership and Management**

##### **Remit**

- Develop strategies to achieve school improvement
- To co-ordinate the working of the Governing Body and agree proposals to go to the Governing Body
- Ensure the Governing Body has a set of Strategic planning process for the advancement of the school and that these are supported by a clear set of plans
- Ensuring the effectiveness of the Governing Body through a rigorous self-evaluation processes
- To be the first sounding board for potential major changes to the school
- Responsible for oversight of the sustainability of school leadership
- Responsible for ensuring the effective operation of the Governing Body committees
- Responsible for SEF Leadership and Management and the overall effectiveness

##### **Membership**

Mr Paul Loudon – Chair  
Mr Peter Thorn  
Ms Heidi Swidenbank  
Mr Gary Dance

Mrs Christine Ashfield  
Mrs Michele Cawte  
Mr Steve Lumb

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# Cox Green School

## GOVERNORS' REPORT (Continued)

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### *Finance and Resources*

#### Remit

- To assist the decision making of the Governing Body, by enabling more detailed consideration to be given to the best means of fulfilling the Governing Body's responsibility to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity
- To make appropriate comments and recommendations on such matters to the Governing Body on a regular basis

#### Membership

Mr Peter Thorn – Chair

Mr Steve Lumb

Ms Heidi Swidenbank

Mr Nigel Keene

Mr Paul Louden

Mr Bob Mignot

Mrs Gill Newman

Mrs Caroline Dunne

Mrs Kate Foreman – Responsible Officer (attends but not a member of the committee)

### *Audit Committee*

#### Remit

- To receive auditor's and responsible officer's reports and to recommend to the full governing body action as appropriate in response to audit findings
- To review the reports of the Responsible Officer on the effectiveness of the financial procedures and controls These reports must be reported to full Governing Body
- Discuss with the external auditor the nature and scope of each forthcoming audit and to ensure that the external auditor has the fullest co-operation of staff
- To recommend to the full Governing Body the appointment or reappointment of the auditors of the academy
- Consideration of the audit plan, in advance of the field work
- To review with the external auditors, the findings of their work, including, any major issues that arose during the course of the audit and have subsequently been resolved and those issues that have been left unresolved, key accounting and audit judgments, levels of errors identified during the audit, obtaining explanations from management and, where necessary the external auditors, as to why certain errors might remain unadjusted
- To review and monitor the content of the external auditor's management letter, in order to assess whether it is based on a good understanding of the Academy's business and establish whether recommendations have been acted upon and, if not, the reasons why they have not been acted upon
- To review and monitor the content of the Regularity Audit conducted by the External Auditors

#### Membership

Mr Peter Thorn – Chair

Mr Steve Lumb

Ms Heidi Swidenbank

Mr Nigel Keene

Mr Paul Louden

Mr Bob Mignot

Mrs Gill Newman

Mrs Caroline Dunne

Mrs Kate Foreman – Responsible Officer

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# Cox Green School

## GOVERNORS' REPORT (Continued)

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### *Teaching and Learning*

#### Remit

- To ensure that all Governing Body and other group decisions are curriculum led
- To monitor the implementation of curriculum policies, including the national curriculum
- To promote and support curriculum development within the financial limitations set by the finance group
- To monitor assessment and testing arrangements
- To set and review targets in line with school and government guidelines

#### Membership

Mrs Christine Ashfield - chair	Mrs Gwenda Lilley
Mrs Diane Armstrong	Mrs Michele Cawte
Ms Cathrin Thomas (Deputy Head)	Mrs Peggy Morse
Miss Claire Saxon	Mr Keith White

### *Human Resources*

#### Remit

- To prioritise and review projects to be undertaken during the academic year by members of the group in order to support the objectives of the group
- To ensure that the school places the best interests of pupils as individuals and as a group at the forefront of its every action To include a review of Behaviour Policy and pupil exclusions and a review of Child Protection Policy including the appointment of a Child Protection Governor
- To ensure full provision is made to enhance the skills of all staff through a programme of planned personal development, taking into account limitations set by the finance committee To review staff training provision
- To provide information to the full Governing Body on all key personnel and employee issues To include a review of workforce data on an annual basis
- To ensure Performance Management recommendations are adhered to and to recommend the Pay Policy (including TLRs) to the full Governing Body
- To ensure the Governing Body is appropriately trained through the appointment of a Link Development Governor
- Oversight of SEF as agreed on the annual Self Review and Development planning calendar
- Oversee the delivery of the school's Extended Schools Provision
- Monitor the Prospectus including distribution
- Relationship with RBWM and Maidenhead Federation

#### Membership

Mrs Michele Cawte – Chair	Mrs Peggy Morse
Mr Paul Loudon	

### *External Relations*

#### Remit

- Overview of the school's links with external partners
- Publicity and Public Relations
- Exploring potential new avenues to extend involvement in the local community
- Explore possible external funding possibilities through partnerships and sponsorship opportunities

#### Membership

Mr Gary Dance – Chair	Mr Nigel Keene
Mr John Lupton (assistant Head)	Mrs Kate Foreman

# Cox Green School

## GOVERNORS' REPORT (Continued)

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Additionally, ad hoc groups of governors are established to consider specific issues and make recommendations to the board

Mrs Kate Foreman is the Responsible Officer and as such has an oversight role in relation to the systems and processes of control and risk management that operate throughout the Academy School

The Headteacher is the Accounting Officer and works closely with both the other governors and the senior staff of the Academy School

The day-to-day management of the Academy School rests with the Headteacher who has overall responsibility for the school. The Headteacher is responsible for establishing a Senior Leadership Team, including the Business Manager and the Deputy Head

Decisions are taken at meetings of the full board in consideration of reports and recommendations from Governors committees, the Headteacher and the School Business Manager. Members of staff, in addition to the Headteacher and Deputy Headteachers, attend committee meetings to present reports in their areas of responsibility, for example curriculum development and special educational needs

A committee of governors undertakes the annual performance review of the Headteacher and monitors performance and achievements against targets. Individual governors sit in on classes and report thereon. Individual governors assume responsibility for particular areas of school life, for example health and safety, special educational needs, and report thereon

Throughout in the management of the school and in the conduct of the Governing Body, the emphasis is on openness, accessibility and accountability. Governors are encouraged to, and do, participate fully in the work of the committees and the Governing Body and are encouraged to bring matters of concern before governors. Annually, after publication of examination results, governors undertake a thorough review of the results and consider implications for the curriculum and pastoral activities within the school

Each year the Senior Leadership Team meets to prepare the School Development Plan (SDP) and this is subsequently presented to governors for consideration, challenge and approval. The plan details academic targets and includes strategic aims, and well as initiatives to further develop the school community. An objective of the SLT is to ensure all round excellence within the school and the best possible education for students as well as good working conditions for staff. Once agreed, management has the responsibility of delivering the plan and reporting progress on a regular basis to the various committees and ultimately the full Governing Body

Coordinated with the objectives of the SDP is the annual financial plan and budget, which is the responsibility of the Headteacher and School Business Manager who present it to the Finance & Resources Committee for consideration and challenge prior to making a recommendation to the Governors. Once approved, the School Business Manager monitors income and expenditure and will regularly report the financial status of the school to the Headteacher, Finance & Resources Committee, and the full Governing Body

### **Method of Recruitment, Appointment, Election, Induction and Training of Governors**

The governors have set up procedures that will enable regular reviews the mix of skills that should be available to the board. New governors will then sought with these skills, either as additional governors or replacements when existing governors stand down. It is anticipated that the great majority of new governors will be drawn from the local community being either parents or guardians of pupils at the school or others that have shown an interest in the future well being of the school and its pupils. Recruitment is therefore likely to be through a combination of approaches to individuals with known skills and by wider communications to those within Maidenhead in Berkshire

# Cox Green School

## GOVERNORS' REPORT (Continued)

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To ensure a proper representation of parents, elections are held for parent governors and these positions are limited to those having children who currently attend the school. The Local Authority has the ability to nominate one governor.

New governors will be appointed to the board by the existing governors until the date of the next Annual General Meeting, at which time they are eligible for re-election for a period of 4 years. At the end of a 4 year term, retiring governors are eligible for re-election for a further term.

New governors receive information packs and meet with the Chair of Governors to discuss the role of governors and the requirements of Cox Green School. Individual governors attend training courses and conferences organised by appropriate bodies in order to ensure their knowledge and understanding is fully up to date.

### **Risk and Corporate Governance Matters**

The governors maintain a risk register which is a living document and regularly reviewed. Governor committees have the responsibility for monitoring the Academy's exposure to individual risks that are assigned to them within the following categories:

- Strategic and Reputational risks
- Operational risks
- Compliance risks
- Financial risks

All risks are assessed and awarded grades that indicate "likelihood" and "potential impact". Steps to mitigate risks are also well documented.

The governors have identified the following key risks to the Academy:

- A risk to sixth form funding from any reduction in pupil numbers
- Potential lagged funding effect of new starters being higher than year 11 leavers
- Natural disaster risk
- Unfavourable Ofsted report
- Uncertainties of future funding

### **Professional Indemnity Insurance**

The school has taken out a combined insurance policy that includes buildings and contents, and liability insurance covering employees, (including teaching and administrative staff and Governors), and third party cover arising from negligent acts, errors and omissions where the school has a legal liability. The limit of indemnity for the main liability covers is £25m and for Governors Indemnity £1m. Other cover included in the policy is for personal accident, travel, and engineering plant and equipment. The total premium cost is £39,858.

## **OBJECTIVES AND ACTIVITIES**

### **Charitable Objectives**

To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum ("the Academy").



# Cox Green School

## GOVERNORS' REPORT (Continued)

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The charitable objectives for which the charitable company was established are set down in the governing document as follows

To provide exceptional learning opportunities for our students by

- Outstanding teaching and learning The school aims to provide outstanding teaching to promote intellectual challenge and the highest possible achievement for all students
- Care for the individual The structures and ethos of the school ensure care for the individual and support the learning of each student
- A fit place to learn The school aims to provide an inspirational and well run environment in which students can learn and grow
- Aspirational leadership Every leader in the school keeps their area of responsibility under review and strives to be the best

### **Indicators, Milestones and Benchmarks**

The governors use the following key measures to assess the success of the activities of the charitable company

- Examination results measured against targets set at the beginning of each academic year and national benchmarks
- Progress made against the School Development plan and budgets
- Internal departmental inspections by SLT
- Headteacher reports to governors covering all aspects of school operations, performance and staff and pupil welfare

### **Public Benefit**

The governors have taken The Charity Commission's specific guidance on public benefit (contained within the guidance document "The Advancement of Education for the Public Benefit") into consideration in preparing their statements on public benefit contained within this governors' annual report

#### *Benefits and Beneficiaries*

In accordance with its charitable objectives, the charitable company strives to advance the education of the pupils attending the school. The charitable company's primary beneficiaries are therefore the pupils, and benefits to pupils are provided through continuing to maintain a high standard of education throughout the school

#### *Governors' Assessment of Public Benefit*

In order to determine whether or not the charitable company has fulfilled its charitable objectives for public benefit, the governors gather evidence of the success of Academy School's activities

### **Relationships with Related Parties**

Cox Green School does not currently maintain business relationships with any connected parties

### **Representation on Other Bodies**

Cox Green School does not have representation on any other bodies

# Cox Green School

## GOVERNORS' REPORT (Continued)

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### ACHIEVEMENTS AND PERFORMANCE

Cox Green School has experienced a successful year. We are proud of the many achievements including

- Excellent exam results signifying a positive stepped change,
- An increase in student numbers,
- Creating an enhanced learning environment through the refurbishment of classrooms,
- Providing opportunities for students to take part in numerous trips, residential and extra-curricular activities,
- Further development of the role of the Governing Body to provide both support and challenge,

The outcomes of public examinations are above national averages. This year 97% of students attained 5 A\* - C. This represents a significant improvement for the school and was a record high.

In 2013 74% of students achieved 5 A\* - C grades including in English and Maths. Achievement in the core subjects, English and Maths in particular is strong with 82% of students making 3 or more levels of progress. Students also made very good progress, showing positive value added scores. Other subjects which have added significant value to students' learning include Music, Performing Arts and IT.

The school recognises that the continued focus needs to be on raising standards and these successes sustained. We have increased the number of hours students are taught core subjects, reviewed the curriculum offer and have put into place a robust literacy intervention programme.

The Sixth Form is also seen as a priority area. While academic achievement is broadly in line with national averages Cox Green's ambition is for the Sixth Form to be an outstanding, oversubscribed post-16 provider. The school has joined the PiXL 6 group in order to move swiftly towards this goal.

### Going Concern

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

### FINANCIAL REVIEW

#### Financial Outcome of Activities & Events

Most of the Academy's income comes from the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. These grants and the associated expenditure are shown as restricted general funds in the statement of financial activities.

During the year the Academy received income of £5.2m from the EFA/DfE in respect of the General Annual Grant and Capital Maintenance Grants.

The Capital Maintenance grants were used for three projects:

- Refurbishment of Reception and the administration offices and improved Site Security,
- Expansion of the Food Technology Area using redundant space,
- Replacement of all original remaining Windows and Skylights

# Cox Green School

## GOVERNORS' REPORT (Continued)

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Cox Green School held fund balances at 31 August 2013 of £20,823,433 comprising £20,448,580 of restricted funds including a pension reserve deficit of £1,366,000 and unrestricted funds of £374,853. The Governors believe the fund balances are adequate to provide sufficient working capital in times of possible future funding turbulence, to provide a cushion to deal with unexpected emergencies and to fulfil the objectives detailed in the School Development Plan.

### **Investments Policy**

The governors investment powers are set out in the Memorandum and Articles of Association which permit the investment of monies of the Academy that are not immediately required for its purposes in such investments as may be thought fit subject to any restrictions which may from time to time be imposed or required by law.

The Academy's current policy is to invest surplus funds in short-term cash deposits for fixed periods of no longer than six weeks. Periodically, the management will review interest rates and compare with other investment opportunities. Any change in policy requires the approval of governors. In the Academy's first financial period of operation, due to cash flow uncertainties, it was agreed that all monies be held in current accounts due to the minimal deposit interest rates available.

### **Plans for Future Periods**

The future development of Cox Green School is detailed in the School Development Plan, approved by the Governing Body in Autumn 2013. In the plan there are clear objectives with specific and measurable success criteria laid out. These are evaluated by Governors regularly through the committees and the Full Governing Body.

Cox Green School has three major strategic intentions:

- Every Cox Green student will receive a first class education,
- Every Cox Green student will be part of a strong, vibrant community,
- Every Cox Green student will be powerful citizens of the future.

We aspire to excel in our provision for teaching and learning. To do this we know that we have to:

- Ensure excellent achievement in every subject for every student by addressing individual needs both academically and pastorally,
- Develop teaching strategies which engage learners fully and create students' independent skills,
- Implement fully a staffing structure and curriculum which supports our future development of the school,
- Review the educational benefit and cost effectiveness of subjects attracting low numbers and to further develop collaborations with other schools to ensure the preservation of such subjects,
- Continue to expand sixth form entry of qualified students from other schools.

### **Funds held as Custodian**

The Academy Trust acts as an agent in the administering of 16-19 Bursary Funds from the EFA.

# Cox Green School

## GOVERNORS' REPORT (Continued)

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### GOVERNORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The governors (who are also the trustees and directors of the Academy Trust for the purposes of charity and company law) are responsible for preparing the governors' annual report and the financial statements in accordance with the Academies Accounts Direction 2013 issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations

Company law requires the governors to prepare financial statements for each financial year. Under company law the governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Academy Trust and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing those 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

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

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

### AUDITOR

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

### STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

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

Approved by order of the Governing Board at its meeting on 3 December 2013 and signed on its behalf by



**P Loudon**  
CHAIR

# Cox Green School

## GOVERNANCE STATEMENT

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### Scope of Responsibility

As governors, we acknowledge we have overall responsibility for ensuring that Cox Green School 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 governors 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 Academy school and the Secretary of State for Education. The Headteacher is also responsible for reporting to the Governors any material weaknesses or breakdowns in internal control.

### Governance

The full Governing Body has formally met 5 times during the period from 1<sup>st</sup> September 2012 to 31<sup>st</sup> August 2013.

Attendance during the year at meetings of the governing body was as follows:

<u>Governor</u>	<u>Meetings Attended</u>	<u>Out of a possible</u>
Mr Paul Loudon (Chair)	5	5
Mrs Michele Cawte (Chair of People Committee)	4	5
Mr Steve Lumb (Vice Chair)	5	5
Ms Heidi Swidenbank (Headteacher & Accounting Officer)	5	5
Mr Peter Thorn (Chair of Finance Committee)	5	5
Mrs Kate Foreman (Responsible Officer)	5	5
Mrs Gwenda Lilley	4	5
Mrs Diane Armstrong	3	5
Mrs Christine Ashfield (Chair of Teaching & Learning)	3	5
Mr Gary Dance (Chair of External Relations)	5	5
Mr Nigel Keene	4	5
Mrs Peggy Morse	5	5
Mr Peter Powell	2	5
Mr Keith White	4	5
Miss Claire Saxon	5	5
Mr Bob Mignot	5	5
Mrs Jane Doarkes	5	5

The only major changes to the Governing Body over the reporting time period has seen the resignation of 2 parent governors (Adi Stephen and Tracey Wilson) and 2 community governors (Kate Sheehan and Heather Cox). These are not included above.

The Governing Body's major challenges over the period have been understanding and coping with the move to academy status and all that entails, getting to grips with the new Ofsted framework, and maintaining tight financial control in a difficult economic climate.

The Finance and Resources Committee is a sub-committee of the main Governing Body. Its purpose is to assist the decision making of the Governing Body, by enabling more detailed consideration to be given to the best means of fulfilling the Governing Body's responsibility to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity and to make appropriate comments and recommendations on such matters to the Governing Body on a regular basis.

# Cox Green School

## GOVERNANCE STATEMENT (Continued)

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Attendance at meetings during the period from 1<sup>st</sup> September to 31 August 2013 was as follows

<u>Governor</u>	<u>Meetings Attended</u>	<u>Out of a possible</u>
Mr Peter Thorn (Chair)	5	6
Ms Heidi Swidenbank (Headteacher from 1 <sup>st</sup> Jan 2012)	4	6
Mr Paul Louden	6	6
Mrs Gill Newman	6	6
Mrs Kate Foreman - RO (Attends but not a member of the committee)	5	6
Mr Steve Lumb	6	6
Mr Nigel Keene	3	6
Mr Bob Mignot - appointed 1 <sup>st</sup> Jan 2012	3	6
Mrs Caroline Dunne	6	6

### **The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives, it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy School's 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 Cox Green School for the year ended 31 August 2013 and up to the date of approval of the governors' annual report and financial statements.

### **Capacity to Handle Risk**

The board of governors has reviewed the key risks to which the Academy School is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy School's significant risks that has been in place for the year ended 31 August 2013 and up to the date of approval of the governors' annual report and financial statements. This process is regularly reviewed by the board of governors.

On becoming an Academy the Governors adopted a Risk Management Policy and Risk Register which identifies Strategic and Reputational risks, Operational risks, Compliance risks and Financial risks, the likelihood of occurrence and impact along with response and mitigating control procedures.

### **The Risk and Control Framework**

Cox Green 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 board of governors,
- 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, and
- identification and management of risks

## Cox Green School

### GOVERNANCE STATEMENT (Continued)

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The governors have considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors have appointed Mrs Kate Foreman, a governor, as Responsible Officer ("RO"). The RO's role includes giving advice on financial matters and performing a range of checks on the Academy School's financial systems. On a termly basis, the RO reports to the board of governors on the operation of the systems of control and on the discharge of the board of governors' financial responsibilities.

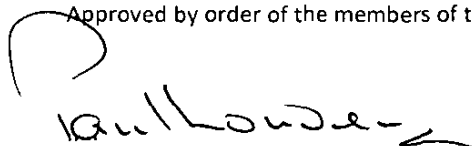
#### Review of Effectiveness

As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year ended 31 August 2013, this review has been informed by

- the work of the Responsible Officer,
- the work of the external auditor,
- the financial management and governance self assessment process, and
- the work of the Senior Leadership Team within Cox Green School 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 and Resources 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 governors on 3 December 2013 and signed on its behalf by



**P Louden**  
CHAIR



**H Swidenbank**  
ACCOUNTING OFFICER

# Cox Green School

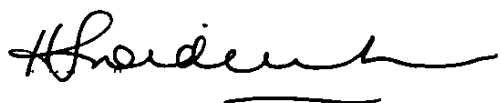
## STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



**H Swidenbank**  
ACCOUNTING OFFICER

Date 3 December 2013



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COX GREEN SCHOOL**

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We have audited the financial statements of Cox Green School for the year ended 31 August 2013 on pages 18 to 39. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), and the Academies Accounts Direction 2013 issued by the Education Funding Agency.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITOR**

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

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

### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

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

### **OPINION ON THE FINANCIAL STATEMENTS**

In our opinion the financial statements

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

### **Opinion on other requirement of the Companies Act 2006**

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COX GREEN SCHOOL  
(Continued)

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

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

*Baker Tilly UK Audit LLP*

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

Date

*18 December 2013*

# Cox Green School

## STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES)

For the year ended 31 August 2013

	Notes	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total 2013 £	9 month period Total 2012 £
<b>INCOMING RESOURCES</b>						
Income from generated funds						
Voluntary income	1	10,311	318,594	-	328,905	29,256
Voluntary income- transfer from local authority on conversion	1	-	-	-	-	21,708,156
Activities for generating funds	2	35,778	-	-	35,778	5,121
Investment income	3	3,521	-	-	3,521	2,772
Income from charitable activities						
Academy Trust's educational operations	4	207,602	4,909,395	-	5,116,997	3,529,824
<b>Total incoming resources</b>		<b>257,212</b>	<b>5,227,989</b>	<b>-</b>	<b>5,485,201</b>	<b>25,275,129</b>
<b>RESOURCES EXPENDED</b>						
Charitable activities						
Academy Trust's educational operations	5	103,289	5,207,021	444,538	5,754,848	3,751,268
Governance costs	7	-	21,579	-	21,579	30,202
<b>Total resources expended</b>	5	<b>103,289</b>	<b>5,228,600</b>	<b>444,538</b>	<b>5,776,427</b>	<b>3,781,470</b>
<b>NET (OUTGOING)/ INCOMING RESOURCES BEFORE TRANSFERS</b>		<b>153,923</b>	<b>(611)</b>	<b>(444,538)</b>	<b>(291,226)</b>	<b>21,493,659</b>
<b>TRANSFERS</b>						
Gross transfers between funds		-	(45,471)	45,471	-	-
<b>NET (EXPENSES)/INCOME FOR THE YEAR</b>		<b>153,923</b>	<b>(46,082)</b>	<b>(399,067)</b>	<b>(291,226)</b>	<b>21,493,659</b>
<b>OTHER RECOGNISED GAINS AND LOSSES</b>						
Actuarial losses on defined benefit schemes	23	-	(89,000)	-	(89,000)	(290,000)
<b>NET MOVEMENT IN FUNDS</b>		<b>153,923</b>	<b>(135,082)</b>	<b>(399,067)</b>	<b>(380,226)</b>	<b>21,203,659</b>
<b>RECONCILIATION OF FUNDS</b>						
Fund balances brought forward at 1 September		220,930	(1,013,754)	21,996,483	21,203,659	-
<b>TOTAL FUNDS CARRIED FORWARD AT 31 AUGUST</b>	14	<b>374,853</b>	<b>(1,148,836)</b>	<b>21,597,416</b>	<b>20,823,433</b>	<b>21,203,659</b>

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

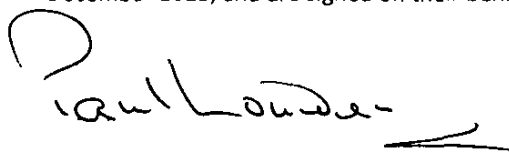
## Cox Green School

## BALANCE SHEET

As at 31 August 2013

	Notes	2013 £	2013 £	2012 £	2012 £
<b>FIXED ASSETS</b>					
Tangible assets	11		21,614,293		22,016,754
<b>CURRENT ASSETS</b>					
Debtors	12	66,518		126,629	
Cash at bank and in hand		731,514		427,745	
		<u>798,032</u>		<u>554,374</u>	
<b>CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR</b>					
	13	(222,892)		(170,469)	
<b>NET CURRENT ASSETS</b>					
			575,140		383,905
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
			<u>22,189,433</u>		<u>22,400,659</u>
Pension scheme liability	23		(1,366,000)		(1,197,000)
<b>NET ASSETS INCLUDING PENSION LIABILITY</b>					
			<u>20,823,433</u>		<u>21,203,659</u>
<b>FUNDS OF THE ACADEMY TRUST</b>					
<b>RESTRICTED FUNDS</b>					
Fixed asset fund	14		21,597,416		21,996,483
General fund	14		217,164		183,246
<b>Restricted funds excluding pension reserve</b>					
			<u>21,814,580</u>		<u>22,179,729</u>
Pension reserve	14		(1,366,000)		(1,197,000)
<b>TOTAL RESTRICTED FUNDS</b>					
			<u>20,448,580</u>		<u>20,982,729</u>
<b>TOTAL UNRESTRICTED FUNDS</b>					
	14		<u>374,853</u>		<u>220,930</u>
<b>TOTAL FUNDS</b>					
			<u>20,823,433</u>		<u>21,203,659</u>

The financial statements on pages 18 to 39 were approved by the governors and authorised for issue on 3 December 2013, and are signed on their behalf by



P Louden  
CHAIR

**Cox Green School**  
**CASH FLOW STATEMENT**  
**For the year ended 31 August 2013**

	Notes	2013 £	2012 £
NET CASH FLOW FROM OPERATING ACTIVITIES	17	345,719	275,398
Returns on investments and servicing of finance	18	3,521	2,772
Capital expenditure	19	(45,471)	(53,435)
Cash transferred on conversion to Academy	20	-	203,010
<b>INCREASE IN CASH IN THE YEAR</b>	<b>21</b>	<b>303,769</b>	<b>427,745</b>
<b>RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS</b>			
NET FUNDS AT 1 SEPTEMBER		427,745	-
Increase in cash in the year		303,769	427,745
<b>NET FUNDS AT 31 AUGUST</b>		<b>731,514</b>	<b>427,745</b>

# Cox Green School

## ACCOUNTING POLICIES

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### **BASIS OF PREPARATION**

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Statement of Recommended Practice ('SORP 2005') 'Accounting and Reporting by Charities', the Academies Accounts Direction 2012/13 issued by the Education Funding Agency and Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

### **GOING CONCERN**

No material uncertainties that may cast significant doubt about the ability of the Academy to continue as a going concern have been identified by the governors. For this reason it continues to adopt the going concern basis in preparing the financial statements.

### **INCOMING RESOURCES**

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

#### *Grants receivable*

Fixed asset grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the year is shown in the relevant funds on the balance sheet. The general annual grant ('the GAG') from the DFE, which is intended to meet recurrent costs, is credited directly to the Statement of Financial Activities. Other grants from government agencies and other bodies are recognised in the period in which they are receivable to the extent the conditions of funding have been met. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received the income is accrued.

#### *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 hire of facilities is recognised in the period it is receivable and to the extent the goods have been provided or the completion of the service.

#### *Interest receivable*

Interest receivable is included in the Statement of Financial Activities on a receivable basis, and is stated inclusive of related tax credits.

# Cox Green School

## ACCOUNTING POLICIES (continued)

For the year ended 31 August 2013

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### RESOURCES EXPENDED

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

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

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

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

All resources expended are inclusive of irrecoverable VAT.

### FUND ACCOUNTING

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

Restricted General funds are resources subject to specific restrictions imposed by funders or donors, and include grants from the Education Funding Agency.

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

### AGENCY ARRANGEMENTS

The Academy Trust acts as an agent in the administering of 16-19 Bursary Funds from the EFA. Related payments received from the EFA and subsequent disbursements to students are excluded from the Statement of Financial Activities to the extent that the Academy Trust does not have a beneficial interest in the individual transactions. The allowance of 5% as a contribution to administration costs is however recognised in the Statement of Financial Activities. Where funds have not been fully applied in the year then an amount will be included as amounts due to the EFA.

### TAXATION

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

# Cox Green School

## ACCOUNTING POLICIES (continued)

For the year ended 31 August 2013

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### TANGIBLE FIXED ASSETS

Tangible fixed assets costing £3,000 or more are capitalised at cost and are carried at cost net of depreciation and any provision for impairment

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where the related grants require the asset to be held for a specific purpose they are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet, with this amount being reduced over the useful economic life of the related asset on a basis consistent with the depreciation policy.

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

Long leasehold land	125 years
Long lease buildings	30 - 50 years
Fixtures, fittings and equipment	10 years
ICT equipment	3 years
Motor Vehicles	5 years

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

### LEASED ASSETS

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

### PENSIONS BENEFITS

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 23, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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



# Cox Green School

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2013

### 1 VOLUNTARY INCOME

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	2013 Total £	2012 Total £
DfE/EfA Capital grants		318,594	-	318,594	-
Assets & liabilities inherited upon conversion					
Agreed cash settlements	-	-	-	-	203,010
Devolved capital	-	-	-	-	77,562
Fixed assets inherited	-	-	-	-	22,293,584
Local government pension scheme deficit	-	-	-	-	(866,000)
Other donation income	10,311	-	-	10,311	29,256
	<u>10,311</u>	<u>318,594</u>	<u>-</u>	<u>328,905</u>	<u>21,737,412</u>

### 2 ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	2013 Total £	2012 Total £
Sundry lettings and hire of facilities	9,716	-	-	9,716	5,121
Receipts from supply teacher insurance	23,080	-	-	23,080	-
Commission on uniform/photos	1,182	-	-	1,182	-
Student teacher placement	1,800	-	-	1,800	-
	<u>35,778</u>	<u>-</u>	<u>-</u>	<u>35,778</u>	<u>5,121</u>

### 3 INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	2013 Total £	2012 Total £
Rent receivable under operating leases	2,229	-	-	2,229	1,672
Bank interest received	1,292	-	-	1,292	1,100
	<u>3,521</u>	<u>-</u>	<u>-</u>	<u>3,521</u>	<u>2,772</u>

# Cox Green School

## NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 August 2013

### 4 ACADEMY OPERATING INCOME

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	2013 Total £	2012 Total £
DfE/EfA Revenue grants					
General annual grant (GAG)	-	4,709,693	-	4,709,693	3,254,783
Other DfE/EfA grants	4,300	139,852	-	144,152	145,602
Other Government grants					
Local authority grants	-	59,850	-	59,850	70,858
Other income	203,302	-	-	203,302	58,581
	<u>207,602</u>	<u>4,909,395</u>	<u>-</u>	<u>5,116,997</u>	<u>3,529,824</u>

# Cox Green School

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 August 2013

### 5 RESOURCES EXPENDED

	Staff costs £	Non pay expenditure Premises £	Other costs £	Total 2013 £	Total 2012 £
Academy's educational operations					
Direct costs	3,001,831	-	611,394	3,613,225	2,524,134
Allocated support costs	543,498	1,043,043	555,082	2,141,623	1,227,134
	<u>3,545,329</u>	<u>1,043,043</u>	<u>1,166,476</u>	<u>5,754,848</u>	<u>3,751,268</u>
Governance costs including allocated support costs	-	-	21,579	21,579	30,202
	<u>3,545,329</u>	<u>1,043,043</u>	<u>1,188,055</u>	<u>5,776,427</u>	<u>3,781,470</u>

### Net outgoing resources for the year

	2013 £	2012 £
Operating leases		
Plant and machinery	4,520	11,156
Fees payable to Baker Tilly UK Audit LLP and its associates for		
- audit	17,064	8,200
- other services	3,225	2,425
Loss on disposal of fixed assets	5,894	1,314
	<u>27,703</u>	<u>23,101</u>

# Cox Green School

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 August 2013

6	CHARITABLE ACTIVITIES – ACADEMY'S EDUCATIONAL OPERATIONS	2013	2012
		£	£
	<b>DIRECT COSTS</b>		
	Teaching and educational support staff costs	3,001,831	2,161,950
	Educational supplies	124,286	55,338
	Examination fees	101,565	41,931
	Staff development	18,849	8,245
	Educational consultancy	48,073	44,231
	Other direct costs	318,621	212,439
		<u>3,613,225</u>	<u>2,524,134</u>
	<b>ALLOCATED SUPPORT COSTS</b>		
	Support staff costs	543,498	384,518
	Depreciation	442,038	328,950
	Recruitment and support	90,862	21,972
	Maintenance of premises and equipment	466,636	218,406
	Cleaning	13,418	7,080
	Rent and rates	34,063	25,652
	Energy	86,888	69,472
	Technology costs	98,497	33,004
	Insurance	49,392	46,865
	Security and transport	30,096	9,365
	Catering	13,192	6,729
	Bank interest and charges	175	98
	Other support costs	272,868	75,023
		<u>2,141,623</u>	<u>1,227,134</u>
7	<b>GOVERNANCE COSTS</b>	2013	2012
		£	£
	Legal and professional fees	-	19,081
	Auditors' remuneration		
	Audit of financial statements	10,376	8,200
	Other audit services	6,688	-
	Other services	3,225	2,425
	Support costs	1,290	496
		<u>21,579</u>	<u>30,202</u>

# Cox Green School

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 August 2013

### 8 STAFF COSTS

	2013 £	2012 £
Staff costs during the year were		
Wages and salaries	2,914,320	2,099,143
Social security costs	219,161	155,945
Pension costs – defined benefit schemes		
Teachers’ Pension Scheme	275,792	207,582
Local Government Pension Scheme	136,056	83,798
	<u>3,545,329</u>	<u>2,546,468</u>

The average monthly number of persons (including senior management team) employed by the Academy Trust during the year were as follows

	2013 Number	2012 Number
Teaching	58	57
Premises	8	8
Support	48	47
	<u>114</u>	<u>112</u>

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

	2013 Number	2012 Number
Teaching	54	50
Premises	5	5
Support	37	37
	<u>96</u>	<u>92</u>

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

	2013 No	2012 No
£60,001 - £70,000	2	-
£70,001 - £80,000	1	-
	<u>3</u>	<u>0</u>

All three of the above employees participated in the Teachers’ Pension Scheme. During the year ended 31 August 2013, pension contributions for these staff amounted to £28,764 (2012: £nil)

# Cox Green School

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 August 2013

### 9 GOVERNORS' REMUNERATION AND EXPENSES

The Headteacher and staff governors only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff and not in respect of their services as governors. Other governors did not receive any payments from the Academy in respect of their role as governors. The value of governors' remuneration was as follows:

H Swidenbank (headteacher and governor)	£75,000 - £80,000 (9 month period 2012	£45,000 - £50,000)
R Mignot (staff governor)	£45,000 - £50,000 (9 month period 2012	£35,000 - £40,000)
C Saxon (staff governor)	£40,000 - £45,000 (9 month period 2012	£25,000 - £30,000)
J Doarks (staff governor)	£10,000 - £15,000 (9 month period 2012	£5,000 - £10,000)

During the year ended 31 August 2013, no travel or subsistence expenses were reimbursed to governors (2012: £nil)

### 10 GOVERNORS' 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 cost for the year ended 31 August 2013 was £39,858 (2012: £41,297). The cost of this insurance is included in the total insurance cost.

### 11 TANGIBLE FIXED ASSETS

	Long leasehold land £	Long leasehold buildings £	Fixtures fittings and equipment £	Total £
<b>Cost</b>				
At 1 September 2012	10,232,000	11,861,543	251,240	22,344,783
Additions	-	-	45,471	45,471
Disposals	-	-	(12,563)	(12,563)
<b>31 August 2013</b>	<b>10,232,000</b>	<b>11,861,543</b>	<b>284,148</b>	<b>22,377,691</b>
<b>Depreciation</b>				
At 1 September 2012	61,360	215,891	50,778	328,029
Charged in the year	81,856	288,695	71,487	442,038
Disposals	-	-	(6,669)	(6,669)
<b>31 August 2013</b>	<b>143,216</b>	<b>504,586</b>	<b>115,596</b>	<b>763,398</b>
<b>Net book value</b>				
31 August 2013	10,088,784	11,356,957	168,552	21,614,293
<b>Net book value</b>				
31 August 2012	10,170,640	11,645,652	200,462	22,016,754

# Cox Green School

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 August 2013

12 DEBTORS	2013 £	2012 £
Trade debtors	4,729	11,638
Prepayments and accrued income	37,602	83,205
Other debtors	24,187	31,786
	<u>66,518</u>	<u>126,629</u>
13 CREDITORS Amounts falling due within one year	2013 £	2012 £
Trade creditors	57,291	64,350
Other taxation and social security	69,622	65,486
Other creditors	4,948	-
Accruals and deferred income	91,031	40,633
	<u>222,892</u>	<u>170,469</u>
Deferred income		£
Deferred income at 1 September 2012		5,497
Resources deferred in the year		22,532
Amounts released from previous years		<u>(5,497)</u>
Deferred income at 31 August 2013		<u>22,532</u>

At the balance sheet date the academy trust was holding funds received in advance for the Rates relief and Devolved capital formula Academies grant for the period September 2013 to March 2014

# Cox Green School

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 August 2013

### 14 FUNDS

	At 1 September 2012 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	At 31 August 2013 £
<b>RESTRICTED GENERAL FUNDS</b>					
General Annual Grant (GAG)	148,972	4,709,693	(4,609,627)	(44,330)	204,708
Other DfE/EfA grants	32,758	458,446	(479,123)	(1,141)	10,940
Local authority grants	1,516	59,850	(59,850)	-	1,516
Pension reserve	(1,197,000)	-	(80,000)	(89,000)	(1,366,000)
	<u>(1,013,754)</u>	<u>5,227,989</u>	<u>(5,228,600)</u>	<u>(134,471)</u>	<u>(1,148,836)</u>
<b>RESTRICTED FIXED ASSET FUNDS</b>					
Inherited fixed assets fund	21,968,242	-	(427,448)	-	21,540,794
DfE/EfA capital grants	28,241	-	(10,749)	-	17,492
Capital expenditure from GAG	-	-	(6,341)	45,471	39,130
	<u>21,996,483</u>	<u>-</u>	<u>(444,538)</u>	<u>45,471</u>	<u>21,597,416</u>
<b>TOTAL RESTRICTED FUNDS</b>	<u>20,982,729</u>	<u>5,227,989</u>	<u>(5,673,138)</u>	<u>(89,000)</u>	<u>20,448,580</u>
<b>UNRESTRICTED FUNDS</b>					
Unrestricted funds	220,930	257,212	(103,289)	-	374,853
<b>TOTAL FUNDS</b>	<u>21,203,659</u>	<u>5,485,201</u>	<u>(5,776,427)</u>	<u>(89,000)</u>	<u>20,823,433</u>

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

The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to the academy via the Education Funding Agency by the Department for Education. The General Annual Grant Fund has been set up because the GAG must be used for the normal running costs of the academy. Under the funding agreement with the Secretary of State, Cox Green School was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2013.

The other DfE/EfA restricted fund represents other funding received from the government which does not form part of GAG but is received in relation to specific purposes.

The LGPS deficit fund represents the separately identifiable pension scheme deficit inherited from the local authority upon conversion to academy status, and through which all the pension scheme movements are recognised.



# Cox Green School

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 August 2013

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### 14 FUNDS (CONTINUED)

The Inherited fixed assets fund has been set up to recognise the tangible assets gifted to the academy upon conversion which represent the school site including the freehold and long leasehold land and buildings and all material items of plant and machinery included therein. Depreciation charged on those inherited assets is allocated to the fund.

The other Restricted Fixed Asset funds recognise the tangible fixed assets bought from either Devolved Capital grants or from the GAG. The funds are reduced each year by the depreciation charge of these assets.

### 15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	16,877	-	21,597,416	21,614,293
Current assets	357,976	440,056	-	798,032
Current liabilities	-	(222,892)	-	(222,892)
Pension scheme liability	-	(1,366,000)	-	(1,366,000)
<b>TOTAL NET ASSETS AT 31 AUGUST 2013</b>	<b>374,853</b>	<b>(1,148,836)</b>	<b>21,597,416</b>	<b>20,823,433</b>

# Cox Green School

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 August 2013

### 16 FINANCIAL COMMITMENTS

#### OPERATING LEASES

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

	2013	2012
	£	£
Plant and machinery		
Expiring within one year	136	9,994
Expiring within two and five years inclusive	3,509	3,645
	<u>3,645</u>	<u>13,639</u>

### 17 RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2013	2012
	£	£
Net (expenses)/income	(291,226)	21,493,659
Cash impact of transfer on conversion	-	(203,010)
Depreciation (note 11)	442,038	328,950
Loss on disposal of fixed assets	5,894	1,315
Non cash movement – inherited fixed assets	-	(22,293,584)
Investment income receivable	(3,521)	(2,772)
Actuarial loss on defined benefit pension scheme	(89,000)	(290,000)
Decrease/(Increase) in debtors	60,111	(126,629)
Increase in creditors	52,423	170,469
Increase in creditors	169,000	1,197,000
	<u>345,719</u>	<u>275,398</u>

#### NET CASH INFLOW FROM OPERATING ACTIVITIES

### 18 RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

Interest received	<u>3,521</u>	<u>2,772</u>
NET CASH INFLOW FROM RETURNS ON INVESTMENT AND SERVICING OF FINANCE	<u>3,521</u>	<u>2,772</u>

### 19 CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

Purchase of tangible fixed assets	<u>(45,471)</u>	<u>(53,435)</u>
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	<u>(45,471)</u>	<u>(53,435)</u>

### 20 CASH TRANSFERRED ON CONVERSION TO ACADEMY

Cash balance transferred on conversion	<u>-</u>	<u>203,010</u>
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# Cox Green School

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 August 2013

### 21 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 September 2012	Cash flows	Other non- cash changes	At 31 August 2013
Cash and bank and in hand	427,745	303,769	-	731,514
<b>NET FUNDS</b>	<b>427,745</b>	<b>303,769</b>	<b>-</b>	<b>731,514</b>

### 22 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 he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member

### 23 PENSION AND SIMILAR OBLIGATIONS

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

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year

#### 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' Pension Regulations 2010 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' Pensions 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

#### Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary ("GA"), using normal actuarial principles, conducts a formal actuarial review of the TPS The aim of the review is to specify the level of future contributions, 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, as set out in the Proposed Final Agreement, and scheme valuations are, therefore, currently suspended

# Cox Green School

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 August 2013

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### 23 PENSION AND SIMILAR OBLIGATIONS (continued)

#### Teachers' Pension Scheme (continued)

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 salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if they were paid over the entire active service of these teachers and lecturers would broadly defray the costs 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 payments 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%.

#### Employer and employee contribution rates

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% to 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.

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 report.

The pension costs paid to the TPS in the year amounted to £275,792 (2012: £207,582).

Under the definitions set out in Financial Standards (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 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 and the implications for the Academy Trust in terms of the anticipated rates.

# Cox Green School

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 August 2013

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### 23 PENSION AND SIMILAR OBLIGATIONS (continued)

#### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2013 was £122,098 (2012: £101,155), of which employer's contributions totalled £98,098 (2012: £75,155) and employees' contribution totalled £34,000 (2012: £26,000). The agreed rates for future years are 17.8 per cent for employers and range between 5.5 per cent and 7.5 per cent for employees depending on salary level.

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

#### Principal actuarial assumptions

	2013 %	2012 %
Rate of increase in salaries	4.85%	3.85%
Rate of increase for pensions in payment	2.90%	1.90%
Discount rate	4.70%	3.90%
Inflation (CPI)	2.90%	1.90%

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

	2013 Years	2012 Years
Retiring today		
Males	23.1	23.0
Females	25.7	25.6
Retiring in 20 years		
Males	25.1	25.0
Females	27.6	27.6

# Cox Green School

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 August 2013

### 23 PENSION AND SIMILAR OBLIGATIONS (continued)

#### Local Government Pension Scheme (continued)

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

	Expected Return at 31 August 2013 %	Fair value at 31 August 2013 £	Expected return at 31 August 2012 %	Fair value at 31 August 2012 £
Equities	6.3%	357,000	5.6%	277,000
Gilts	3.5%	8,000	0.0%	-
Bonds	4.4%	178,000	3.9%	125,000
Property	4.3%	76,000	3.6%	69,000
Cash	0.5%	8,000	0.5%	35,000
Alternative assets	4.7%	221,000	4.2%	187,000
<b>TOTAL MARKET VALUE OF ASSETS</b>		<b>848,000</b>		<b>693,000</b>
Present value of scheme liabilities - Funded		(2,214,000)		(1,890,000)
<b>DEFICIT IN THE SCHEME</b>		<b>(1,366,000)</b>		<b>(1,197,000)</b>

The actual return on scheme assets was £61,000 (2012 £18,000)

<b>Amounts recognised in the statement of financial activities</b>	2013 £	2012 £
Current service cost (net of employee contributions)	136,000	85,000
Total operating charge	<b>136,000</b>	<b>85,000</b>
<b>Analysis of pension finance income/(costs)</b>		
Expected return on pension scheme assets	(33,000)	(23,000)
Interest on pension liabilities	76,000	55,000
Pension finance income	<b>43,000</b>	<b>32,000</b>

# Cox Green School

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 August 2013

### 23 PENSION AND SIMILAR OBLIGATIONS (continued)

#### Local Government Pension Scheme (continued)

The actuarial gains and losses for the current year are recognised in the SOFA. The cumulative amount of actuarial gains and losses recognised in the statement of recognised gains and losses since the adoption of FRS 17 is £379,000 (2012 £290,000)

<b>Movements in the present value of defined benefit obligations were as follows</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Opening defined benefit obligations	1,890,000	-
Upon conversion to Academy status	-	1,439,000
Current service cost	136,000	85,000
Interest cost	76,000	55,000
Employee contributions	34,000	26,000
Actuarial loss	116,000	285,000
Benefits paid	(38,000)	-
At 31 August	<u>2,214,000</u>	<u>1,890,000</u>

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

Opening defined benefit obligations	693,000	-
Upon conversion to Academy status	-	574,000
Expected return on assets	33,000	23,000
Actuarial loss	27,000	(5,000)
Employer contributions	99,000	75,000
Employee contributions	34,000	26,000
Benefits paid	(38,000)	-
At 31 August	<u>848,000</u>	<u>693,000</u>

The estimated value of employer contributions for the year ended 31 August 2014 is £97,000

# Cox Green School

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the year ended 31 August 2013

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### 23 PENSION AND SIMILAR OBLIGATIONS (continued)

#### Local Government Pension Scheme (continued)

The five-year history of experience adjustments is as follows

	2013 £	2012 £
Present value of defined benefit obligations	(2,214,000)	(1,890,000)
Fair value of share of scheme assets	848,000	693,000
Deficit in the scheme	<u>(1,366,000)</u>	<u>(1,197,000)</u>
Experience adjustments on share of scheme assets	<u>27,000</u>	<u>(5,000)</u>
Experience adjustments on scheme liabilities	<u>-</u>	<u>-</u>

### 24 RELATED PARTIES

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

### 25 AGENCY ARRANGEMENTS

The Academy Trust administers the disbursement of the new discretionary support for learners, 16-19 Bursary Funds, on behalf of the EFA. In the year it received £8,246, and disbursed £3,297, with therefore an amount of £4,949 repayable to the EFA at the 31 August 2013 is included in other creditors. The Academy Trust retained a beneficial interest in individual transactions such that £687 has been recognised in income and expenditure in the statement of financial activities.

### 26 DELEGATED AUTHORITIES

Two severance payments were made in the year totalling £13,000, including the following individual amounts over £5,000,  
£10,000

Bad debts written off in the year totalled £280