

ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

PERIOD ENDED 31 AUGUST 2012



**SAINT MARY'S
CHURCH OF ENGLAND
JUNIOR SCHOOL**

An Academy School

SATURDAY

COMPANIES HOUSE



A35

A24R7HXM
23/03/2013

#330

**Company registration number:
07716911 (England and Wales)**

ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL

CONTENTS

	Page
Reference and administrative information	1
Report of the Governors	2 – 7
Governance statement	8 – 9
Statement on regularity, propriety and compliance	10
Statement of Governors' responsibilities	11
Independent Auditor's report	12 – 13
Independent Auditor's report on regularity to the Governing body	14
Statement of financial activities (incorporating Income and expenditure account)	15
Balance sheet	16
Notes to the financial statements	17 - 29

ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL

Reference and administrative details of the Academy, its Governors and Advisors

Governors (Trustees):
Mrs Sarah Berwick (Chair)
Rev Heather Wilcox (Vice Chair) (appointed 1 September 2011)
Mr Martin McIlroy (Chair of Finance)
Mrs Alison Cullum (Headteacher)
Mr Peter Rout (Responsible Officer)
Mrs Kay Oglieve-Chan
Mr Joe Hewitt
Miss Elisabeth Spry
Mrs Julie Adams
Mr Bob Baylis
Mrs Claire Best
Mrs Sandra Mackelden
Mr Matthew Paslow-Williams (appointed 28 November 2012)
Mrs Miriam Barnes (resigned 31 August 2012)
Mr Nigel Peacock (resigned 3 December 2012)

Company Secretary Mrs C Locke

Registered/Principal office: St Mary's Church of England Junior School
Swan Lane
Long Stratton
Norwich
Norfolk
NR15 2UY

Company registration number: 07716911 (England and Wales)

Auditor: Lovewell Blake LLP
Chartered Accountants and Statutory Auditor
Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

Bankers: The Co-operative Bank
P O Box 250
Delf House
Southway
Skelmerdale
WN8 6WT

Solicitors: Browne Jacobson LLP
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL

REPORT OF THE GOVERNORS for the period ended 31 August 2012

The Governors present their annual report and audited financial statements for period ended 31 August 2012

Report of the Governors

The Governors (who are Governors under the Academies Act 2010, Trustees under the Charities Act 2011 and Directors under the Companies Act 2006) present their annual report together with the financial statements of the charitable company for the period to 31 August 2012. The report has been prepared in accordance with Part VI of the Charities Act 2011

St Mary's Church of England Junior School was incorporated on 25 July 2011 and the Academy commenced on 17 August 2011

The financial statements have been prepared in accordance with the accounting policies on pages 17 to 19 of the attached financial statements, and comply with the Memorandum and Articles of Association, the Companies Act 2006 and the requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities' as issued in March 2005 ('SORP 2005') and the Academies Financial Handbook

Structure, governance and management

Constitution

St Mary's Church of England Junior School is a company limited by guarantee with no share capital (registration no 07716911) and an exempt charity. The Company's Memorandum and Articles of Association are the primary governing documents of the Academy and are part of the Funding Agreement between the Company and the Secretary of State for Education

The Governors act as the trustees for the charitable activities of St Mary's Church of England Junior School and are also the directors of the Company for the purposes of company law

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

Members' liability

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

Method of recruitment and appointment or election of Governors

The initial members of the Charitable Company were all outgoing Governors of the old school and new members of the Charitable Company are nominated in accordance with clause 12 of the articles. The Articles of Association require the members of the charitable company to appoint at least two director trustees to be responsible for the statutory and constitutional affairs of the Charitable Company and the management of the Academy

Policies and procedures adopted for the induction and training of Governors

The training and induction provided for new governors includes a tour of the Academy and a chance to meet staff and pupils. The Norfolk Governors Network provides external training including financial matters. They provide regular updates on practice, legislation and guidance

All governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as governors. Induction tends to be done informally and is tailored specifically to the individual

ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL

REPORT OF THE GOVERNORS for the period ended 31 August 2012

Governance

The Academy is governed by the Trustee board which delegates functions as appropriate to a Local Governing Body who are appointed by the Trustees as a committee. Trustees are directors of the Charitable Company for the purposes of the Companies Act 2006 and trustees for the purposes of charity legislation. The trustees and governors exercise their powers and functions with a view to fulfilling a largely strategic role in the running of the Academy. The trustees were initially appointed as described in the constitution (as described on page 4) and, the trustee board may appoint trustees in exceptional circumstances. No trustees were co-opted nor were appointments made by the Secretary of State in 2011/2012. Trustees may be removed by the person or persons who appointed them.

Organisational structure

The organisational structure of the Academy consists of three levels. The Trustees, Governors, and the Senior Leadership Team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The trustees and governing body are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of budgets and making major decisions about the direction of the Academy. The governors are responsible for monitoring the performance of the Headteacher on a regular basis.

The Senior Leadership Team members for the Academy are the Headteacher, Deputy Head Teacher, Maths co-ordinator, SENCO, Science/G&T co-ordinator. These control the Academy at an executive level realising the vision for the Academy, ensuring the Academy runs smoothly and help children make creative and academic progress, implementing the policies laid down by the Governors and reporting back to them. The Headteacher authorises all high value orders within the Academy.

Risk management

The governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The governors have implemented a number of systems to assess risks that the Academy faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the following statement.

Connected organisations, including related party relationships

There are no related parties which either control or significantly influence the decisions and operations of St Mary's Church of England School Academy Trust. There are no sponsors or formal Parent Teacher Associations associated with the Academy.

Objectives and activities

Objects, aims and objectives

The principal object and activity of the charitable company to 31 August 2012 was the operation of the St Mary's Church of England Junior School to provide education for pupils of different abilities between the ages of 7 and 11.

ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL

REPORT OF THE GOVERNORS for the period ended 31 August 2012

Objectives and activities (continued)

Objects, aims and objectives (continued)

The Object of the Academy is as follows

'The Academy Trust's object ("the Object") is specifically restricted to the following

- To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school with a designated Church of England religious character, offering a broad and balanced curriculum ("the Academy") conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the Funding Agreement) and in having regard to the advice of the Diocesan Board of Education, and*
- To promote for the benefit of individuals living in Long Stratton and the surrounding area who have need by reason of their age, infirmity or disability, financial hardship or social and economic circumstances or for the public at large the provision of facilities for recreation or other leisure time activities in the interests of social welfare and with the object of improving the condition of life of the said individuals, for so long as the Academy continues to function as an educational institution '*

The main objectives of the Academy during the period ended 31 August 2012 are summarised below

- feel safe and valued as part of a caring community that celebrates success,
- experience and actively participate in a relevant, enjoyable curriculum that evolves to meet the needs of all,
- inspire an 'enquiring' mind and ask questions,
- be independent thinkers / learners who are able to seek solutions creatively and co-operatively,
- be able to listen and articulate responses showing consideration to others,
- be polite and courteous,
- be proactive in our responsibilities towards the community, society, the environment and economy, linking 'real life' with our learning,
- understand and respect diversity,
- develop a sense of self-esteem,
- be well balanced and healthy individuals

Objectives, strategies and activities

Key priorities for the year are contained in our School Development Plan which is available from the School Office Improvement Focuses identified for this year include

- Standards in English continue to improve
- Continue to improve 2 levels progress in Writing at the end of KS2
- The progress in Maths is maintained through recommended teaching methods
- Gender gap narrows throughout the Academy
- All Children experience a wider, practical integrated curriculum
- Financial management continues to be of the highest standards and give value for money
- External/ internal resources enable a safe, healthy and stimulating environment
- Parents feel confident in the Academy and it is valued by the community
- Links with the church continue to build and strengthen
- Christian values are clearly embedded throughout the school community

ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL

REPORT OF THE GOVERNORS for the period ended 31 August 2012

Achievements and performance

KS2 2012 results strong in Maths, improving picture with English outcomes

Maths 98% Level 4+ Level 5 51% English 91% Level 4+ Level 5 33%

Cohort of 45 pupils (23 girls, 22 boys) Outcomes were above national averages in Maths at Level 4 and Level 5, and Reading at Level 4 placing the Academy in the highest 25% range of Norfolk Schools

Writing Level 4 and Reading Level 5 were both in line with National expectations

Outcomes for boys and girls exceeded national averages, except for Boys writing

Combined English/Maths Level4+ outcome was much higher than national figures

Expected progress in Maths was also above national figures

Boys attainment in English showed a considerable improvement over 2011

The Average points score for English and Maths has been above the Norfolk and National Averages for 2 of the last 3 years

Human equalities policy

The governors recognise that equal opportunities should be an integral part of good practice 'within the workplace' The Academy aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued

Disabled persons

Lifts and disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of the Academy The policy of the Academy is to support recruitment and retention of pupils and employees with disabilities The Academy does this by adapting the physical environment, by making resources available and through training and career development

Review of the significant activities undertaken by the charity during the relevant financial year to further its charitable purposes for the public benefit

In setting our objectives and planning our activities the governors and trustees have given careful consideration to the Charity Commission's general guidance on public benefit Pupils are admitted in accordance with the admissions policy agreed with the Department for Education (DfE) Children are admitted from a wide range of backgrounds From social housing in Long Stratton, to those from higher income households outside of our catchment area The Academy has a rich curriculum which aims to deliver good academic progress with a range of activities and experiences, offering pupils a chance to demonstrate their abilities and potential

2011/2012 was the first year in which the school became an academy Total pupils in the period ended 31st August 2012 numbered 203

Our school curriculum continues to be one which offers variety and interest to all pupils This year children have taken part in lots of exciting activities They enjoyed an Olympic themed week with lots of sporting events on offer, as well as taking part in Norfolk School Olympics at the UEA The whole school celebrated the Queen's Diamond jubilee with a fantastic street party, followed by party games Year 3 invited Parents in to their WW2 day, where they took part in air raids, learnt how to cook food on rations and danced to WW2 popular tunes

Year 4 celebrated 400 years of the King James' Bible with a brilliant fact finding trip to Norwich Cathedral Year 5 learned about the Saxons and had a great trip to Sutton Hoo and West Stow Year 6 loved their Victorian topic and had a fantastic time taking part in a Victorian workhouse re-enactment day at Gressenhall Museum

ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL

REPORT OF THE GOVERNORS for the period ended 31 August 2012

Review of the significant activities undertaken by the charity during the relevant financial year to further its charitable purposes for the public benefit (continued)

The whole school invited members of the local church community in to a Prayer Spaces week, children, parents and governors were all able to reflect and pray in a quiet yet stimulating environment within the school. We also took the whole school to the Royal Norfolk Show to enjoy a day focusing on the important local culture of the countryside. Our Art Club provided a stand for the Food and Farming exhibition which was very positively received. We also held a Careers week in school, aiming to raise aspirations for our children and parents. Working parents in a range of careers from Travel Agents to Firemen, came to talk to our children about their experiences and a Careers fair was offered to all schools across the cluster, with stands in our hall from the local university, police, nursing, music, fire service and others including Apple computers.

Year 3 enjoyed a residential visit to Holt Hall, learning about life outdoors, orienteering etc and Year 6 travelled to France for a week's visit to the WW1 battlefields, Rouen Cathedral, where they exchanged gifts from Norwich Cathedral, and many other great activities.

In addition the school continued to offer a range of many other activities and experiences for its pupils. Those who come from low economic backgrounds were able to apply to the disadvantage subsidy fund and this has helped pupils broaden their horizon beyond the immediate area.

Going Concern

The trustees consider that the Academy has adequate resources to continue in business for the foreseeable future and that, for this reason, it should continue to adopt the going concern basis in preparing the financial statements. Further details are contained in the basis of preparation on page 17.

The Academy currently receives annual SEN funding in the region of £93,300, however, concerns have been raised that from April 2013 there is to be a change in the allocation of this funding. As a result the potential impact on the Academy is a funding reduction of approximately £70,000. A number of staff are currently employed to support the needs of the statemented children, therefore there are concerns that a situation will arise whereby sufficient funding will not be available to cover the related costs in providing this support. The Governors have identified a number of options to reduce any potential deficit which would be caused by this.

Financial Review

Most of the Academy's income is obtained from the Department of Education via the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the period ended 31 August 2012 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

Upon conversion on 17 August 2011, the Assets, Liabilities and Funds of the Governing Body of St Mary's Church of England Junior School were transferred to the Academy.

During the period ended 31 August 2012, total expenditure of £996,843 was covered by recurrent grant funding together with other incoming resources and cash balances held on transfer to Academy status.

Reserves Policy

The Governors' Finance Committee has reviewed reserve levels and believes that they should provide sufficient working capital to cover delays between spending and receipt of grants to allow for unexpected situations such as urgent maintenance work.

As at 31 August 2012 the Academy had free reserves of £17,620.

ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL

REPORT OF THE GOVERNORS for the period ended 31 August 2012

Investment Policy

With the exception of cash held for the operation of the Academy, St Mary's Church of England Junior School has no realisable investments as at 31 August 2012. The Governing Body has adopted a low risk strategy to cash holdings operating an interest bearing account with the Academy's bankers.

Plans for future periods

The objectives, strategies and activities for the next financial year are

- To ensure that all children make at least 2 NC levels progress in reading during time at St Mary's. The use of targets is embedded into teaching so children know and refer to their targets. Develop peer/self/teacher assessment skills incorporating 2 stars and a wish.
- To attain 85 % in SATS writing 2013. Embedding the Big Write and VCOP scheme and ensuring continuity. Moderation staff meetings to assist with levelling- externally. Set up VCOP displays in each classroom for children to use daily. School Governors Visit to ask children about their targets, look for evidence in literacy, handwriting and topic books, look for use of success criteria and verbal feedback in lessons. Curriculum Committee to check progress and attainment in Writing.
- To raise attainment through improving assessment and monitoring systems. Introduce baseline assessment PIPs in Year 3, test marking moderated by co-teacher, SMT termly sampling of exercise books and work, levelling meetings. Reading and Spelling age tests across the school.
- To improve children's attitudes towards learning. School Council Questionnaire re learning. Devise shared values in each class as basis of rules. Set up a 'Careers Week' to raise aspirations. Implementation of whole school reward system, stepped sanction system, evidence gathering of poor behaviour. Behaviour management plans implemented for children with poor behaviour, together with scripts for de-escalation of bad behaviour for individual children.

Statement as to disclosure of information to auditors

In so far as the Governors are aware

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

Auditors

Lovewell Blake LLP were appointed as auditors during the period and deemed to be re-appointed under section 487(2) of the Companies Act 2006.

The report of the Governors was approved by the Governors on 19 December 2012 and signed on their behalf by



Mrs Sarah Berwick
Chair of Governors

ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL

GOVERNANCE STATEMENT

Scope of Responsibility

As governors, we acknowledge we have overall responsibility for ensuring that St Mary's Church of England Junior 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 Head Teacher 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 St Mary's Church of England Junior School Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Governance

The information of governance included here supplements that described in the Governors' report and in the statement of Governors' responsibilities. The Full Governing Body has formally met six times during the period from 17 August 2011 to 31 August 2012. Attendance during this period at Full meetings of the Governing Body was as follows:

Governor	Meetings attended	Out of a possible
Mrs Sarah Berwick	6	6
Mr Joe Hewett	4	6
Mr Martin McIlroy	4	6
Mrs Alison Cullum	6	6
Mr Peter Rout	5	6
Mrs Kay Oglieve-Chan	2	6
Rev Heather Wilcox	4	6
Miss Elisabeth Spry	4	6
Mrs Julie Adams	5	6
Mr Bob Baylis	5	6
Mrs Claire Best	5	6
Mrs Sandra Mackelden	4	6
Mrs Miriam Barnes	4	6
Mr Nigel Peacock	5	6

The finance committee is a committee of the main Governing body. Its purpose is to review and plan the strategic financial planning and expenditure of the Academy budget.

Attendance at Finance Committee meetings in the period from 17 August 2011 to 31 August 2012 was as follows:

Governor	Meetings attended	Out of a possible
Mrs Sarah Berwick	3	3
Mr Martin McIlroy	3	3
Mrs Sandra Mackelden	2	3
Mrs Claire Best	1	3
Mrs Peter Rout	3	3
Mr Nigel Peacock	3	3
Mrs Alison Cullum	3	3

ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL

GOVERNANCE STATEMENT

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives, it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in St Mary's Church of England Junior School Academy Trust for the period 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 ongoing 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.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body,
- regular reviews by the Finance 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.

On a quarterly basis, the Responsible Officer, Peter Rout, reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

Review of Effectiveness

As Accounting Officer, the Head Teacher has responsibility for reviewing the effectiveness of the system of internal control. During the period 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 School Support Officer who has responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Governing Body on 19 December 2012 and signed on its behalf by



Mrs Sarah Berwick
Chair of Governors



Mrs Alison Cullum
Accounting Officer

ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of St Mary's Church of England Junior School Academy Trust 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 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.

Alison M Cullum

Mrs Alison Cullum
Accounting Officer

ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors (who act as Trustees for the charitable activities of St Mary's Church of England Junior School and are also the directors of the School for the purposes of company law) are responsible for preparing the Report of the Governors and the financial statements in accordance with the Annual Accounts Requirements 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 School and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Governors are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make 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 School will continue in operation

The Governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy the financial position of the School 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 School 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 School applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the EFA/DfE have been applied for the purposes intended

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the School'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 19 December 2012 and signed on its behalf by



Mrs Sarah Berwick
Chair of Governors

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL

We have audited the financial statements of St Mary's Church of England Junior School for the period ended 31 August 2012 on pages 15 to 29. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Annual Accounts Direction 2011/12 issued by the Education Funding Agency.

This report is made solely to the Academy'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's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy 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 Governors' Responsibilities Statement set out on page 11, the Governors (who are also the directors of the Academy 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 APB's website at www.frc.org.uk/apb/scope/private.cfm

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Academy'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.

Emphasis of matter – Going concern

In forming our opinion on the financial statements we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the Academy's ability to continue as a going concern. Due to a change in the allocation of SEN funding the Academy could face a funding reduction amounting to approximately £70,000. The Governors have assessed the situation and have identified a number of options as to how they can reduce the potential deficit. The financial statements do not include the adjustments which would result if the Academy was unable to continue as a going concern.

Opinion on other matter prescribed by the Companies Act 2006

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST MARY'S CHURCH OF ENGLAND
JUNIOR SCHOOL (continued)**

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

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

- The financial statements have been prepared in accordance with the Financial Reporting and Annual Accounts Requirements issued by the Department for Education in respect of the relevant financial period,
- Proper accounting records have been kept,
- Grants made by the Department of Education have been applied for the purposes intended, and
- Grants made by the Education Funding Agency have been applied for the purposes intended

MARK PROCTOR ACA DChA (Senior Statutory Auditor)
For and on behalf of LOVEWELL BLAKE LLP, Statutory Auditor

Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

19 December 2012

INDEPENDENT AUDITOR'S REPORT ON REGULARITY TO THE GOVERNING BODY OF ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 3 February 2012 and further to the requirements of the Education Funding Agency (EFA), we have carried out a review to obtain assurance about whether, in all material respects, the expenditure disbursed and income received by the academy trust during the period 25 July 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 the governing body and the EFA. Our review work has been undertaken so that we might state to the governing body and the EFA those matters we are required to state to it 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 governing body and the EFA, for our review work, for this report, or for the opinion we have formed

Respective responsibilities of the governing body and auditors

The governing body is responsible, under the requirements of the Academies Act 2010, subsequent legislation and related regulations, 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 review are established in the United Kingdom by our profession's ethical guidance and the audit guidance set out in the EFA's financial handbook and accounts direction. We report to you whether, in our opinion, anything has come to our attention in carrying out our review which suggests that in all material respects, expenditure disbursed and income received during the period 25 July 2011 to 31 August 2012 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them

Basis of opinion

We conducted our review in accordance with the academies handbook and the accounts direction issued by the EFA

Opinion

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 25 July 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

MARK PROCTOR ACA DChA (Senior Statutory Auditor)
For and on behalf of LOVEWELL BLAKE LLP, Statutory Auditor

Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

19 December 2012

ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL

**STATEMENT OF FINANCIAL ACTIVITIES for the period ended 31 August 2012
(including income and expenditure account)**

	Note	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total 2012 £
Incoming resources					
Incoming resources from generated funds					
Voluntary income	2	32,370	(70,000)	2,733,511	2,695,881
Activities for generating funds	3	20,642	-	-	20,642
Investment income	4	163	-	-	163
Incoming resources from charitable activities					
Funding for the Academy's educational operations	5	-	869,493	-	869,493
Other incoming resources	6	54,905	-	-	54,905
Total incoming resources		108,080	799,493	2,733,511	3,641,084
Resources expended					
Costs of generating funds					
Charitable activities	7	7,429	19,886	-	27,315
Academy's educational operations	9	43,611	856,572	50,575	950,758
Governance costs	10	-	22,589	-	22,589
Other resources expended		-	-	-	-
Total resources expended		51,040	899,047	50,575	1,000,662
Net incoming / (outgoing) resources before transfers		57,040	(99,554)	2,682,936	2,640,422
Transfers between funds	17	(32,554)	32,554	-	-
Net incoming / (outgoing) resources before other recognised gains and losses		24,486	(67,000)	2,682,936	2,640,422
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	17/22	-	(30,000)	-	(30,000)
Funds carried forward at 31 August 2012	17	24,486	(97,000)	2,682,936	2,610,422

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

The notes on pages 17 to 29 form part of these financial statements

ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL**BALANCE SHEET at 31 August 2012**

	Note	£	2012 £
Fixed assets			
Tangible assets	14		2,689,802
Current assets			
Debtors	15	39,033	
Cash at bank and in hand		<u>47,140</u>	
		86,173	
Current liabilities			
Creditors Amounts falling due within one year	16	<u>68,553</u>	
Net current assets			<u>17,620</u>
Net assets excluding pension liability			2,707,422
Pension scheme liability	22		<u>(97,000)</u>
Net assets including pension liability	17		<u>2,610,422</u>
Funds			
Restricted funds			
Restricted fixed asset fund	17		2,682,936
Restricted fund	17		-
Pension reserve	17		<u>(97,000)</u>
			2,585,936
Unrestricted funds			
General fund	17		<u>24,486</u>
Total funds			<u>2,610,422</u>

The financial statements were approved by the Governors, and authorised for issue on 19 December 2012 and are signed on their behalf by



Mrs S Berwick
Chairman of Governors

The notes on pages 17 to 29 form part of these financial statements

ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS for the period ended 31 August 2012

1. Statement of accounting policies

Basis of preparation

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

Cash flow statement

The Governors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is small.

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.

The Academy has been made aware of a change in the allocation of SEN funding from April 2013, the potential effect of this could be a funding reduction of approximately £70,000. The Governors have concerns over the financial impact on the Academy as a number of staff are currently employed to provide support to the effected children, and therefore sufficient funding may not be available to cover the costs incurred. As a result the Governors have identified a number of options to reduce the potential deficit which would be caused by this situation.

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.

- **Donated services and gifts in kind**

The value of donated services and gifts in kind provided to the Academy are recognised at their open market 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 Academy's policies.

- **Interest receivable**

Interest receivable is included within the Statement of Financial Activities on an accruals basis.

ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS for the period ended 31 August 2012

1. Statement of accounting policies (continued)

Incoming resources (continued)

• **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

Resources expended

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

• **Costs of generating funds**

These are costs incurred relating to the activities to generate 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 Governors' meetings and reimbursed expenses

Tangible fixed assets

Assets costing £500 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

Depreciation is provided on all tangible fixed assets other than leasehold land, at rates calculated to write off the cost of each asset over its expected useful life, as follows

Leasehold property	2% straight line
Fixtures, fittings and equipment	10%-20% straight line
Computer equipment	25% straight line

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 applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the lease term.

ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS for the period ended 31 August 2012

1. Statement of accounting policies (continued)

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 College is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions benefits

Retirement benefits to employees of the Academy 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 method. As stated in note 20, 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.

Local Government Pension Scheme

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 rate of 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 (Department of Education) and other donors 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 (Department of Education) and other donors which are to be used for specific purposes.

ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS for the period ended 31 August 2012

	2012 £		
1A. GENERAL ANNUAL GRANT (GAG)			
a. Results and Carry Forward for the Year			
GAG allocation for current year			<u>784,140</u>
Total GAG available to spend			784,140
Recurrent expenditure from GAG			<u>816,694</u>
			(32,554)
Transfer from unrestricted funds			<u>32,554</u>
GAG carried forward to next year			<u> -</u>
2. VOLUNTARY INCOME			
	Unrestricted	Restricted	2012
	£	£	£
Assets transferred on conversion (note 19)	22,040	2,663,511	2,685,551
Donations	10,330	-	10,330
	<u>32,370</u>	<u>2,663,511</u>	<u>2,695,881</u>
3. ACTIVITIES FOR GENERATING FUNDS			
	Unrestricted	Restricted	2012
	£	£	£
Hire of facilities	2,988	-	2,988
Catering income	17,654	-	17,654
	<u>20,642</u>	<u>-</u>	<u>20,642</u>
4. INVESTMENT INCOME			
	Unrestricted	Restricted	2012
	£	£	£
Bank Interest	<u>163</u>	<u>-</u>	<u>163</u>

ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS for the period ended 31 August 2012

5. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted	Restricted	2012
	£	£	£
Dfe/EFA revenue grants			
• General Annual Grant (GAG) note 1A	-	784,140	784,140
• Other Dfe/EFA Grants	-	85,353	85,353
	<u>-</u>	<u>869,493</u>	<u>869,493</u>

6. OTHER INCOMING RESOURCES

	Unrestricted	Restricted	2012
	£	£	£
Academy trips	17,139	-	17,139
Academy activities	16,868	-	16,868
Insurance claims – staff absence	14,687	-	14,687
Other income	6,211	-	6,211
	<u>54,905</u>	<u>-</u>	<u>54,905</u>

7. COST OF ACTIVITIES FOR GENERATING FUNDS

	Unrestricted	Restricted	2012
	£	£	£
Catering	7,429	19,886	27,315
	<u>7,429</u>	<u>19,886</u>	<u>27,315</u>

ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS for the period ended 31 August 2012

8. RESOURCES EXPENDED

	Staff Costs £	Depreciation £	Other Costs £	Total 2012 £
Cost of activities for generating funds	-	-	27,315	27,315
Charitable activities				
Academy's educational operations				
Direct costs	633,912	51,371	49,332	734,615
Allocated support costs	120,148	-	98,995	219,143
FRS17 pension costs	(3,000)	-	-	(3,000)
Governance costs including allocated support costs	-	-	22,589	22,589
	<u>751,060</u>	<u>51,371</u>	<u>198,231</u>	<u>1,000,662</u>

Incoming/outgoing resources for the year include: **2012**
£

Operating leases	1,543
Fees payable to auditor – audit	3,450

9. CHARITABLE ACTIVITIES – ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted £	Restricted £	2012 £
Direct costs			
Teaching and educational support staff costs	3,581	630,331	633,912
Depreciation	796	50,575	51,371
Educational supplies	1,066	9,869	10,935
Staff development	-	4,666	4,666
Academy trips	21,310	-	21,310
Academy activities	2,499	-	2,499
Other direct costs	9,922	-	9,922
	<u>39,174</u>	<u>695,441</u>	<u>734,615</u>
Allocated support costs			
Support staff costs	85	120,063	120,148
Maintenance of premises and equipment	-	25,534	25,534
Cleaning	-	3,885	3,885
Rent and rates	-	5,334	5,334
Heat and light	-	18,864	18,864
Insurance	-	23,256	23,256
Transport	-	1,237	1,237
Bank interest and charges	26	-	26
Other support costs	4,326	16,533	20,859
	<u>4,437</u>	<u>214,706</u>	<u>219,143</u>
FRS17 Pension Costs	-	(3,000)	(3,000)
Total charitable activities	<u>43,611</u>	<u>907,147</u>	<u>950,758</u>

ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS for the period ended 31 August 2012

10 GOVERNANCE COSTS

	Unrestricted £	Restricted £	2012 £
Auditors' remuneration			
Audit of financial statements	-	3,450	3,450
Legal and professional fees	-	19,139	19,139
	<u>-</u>	<u>22,589</u>	<u>22,589</u>

11. STAFF COSTS

Staff costs during the period were	2012 £
Wages and salaries	631,153
Social security costs	37,018
Pension costs	85,889
FRS17 pension costs	<u>(3,000)</u>
	<u>751,060</u>

The average number of persons employed by the Academy during the period ended 31 August 2012 expressed as full time equivalents was as follows

	2012 No.
Charitable Activities	
Teaching	10
Support	<u>14</u>
	<u>24</u>

There were no employees during the period with emoluments above £60,000

ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS for the period ended 31 August 2012

12. GOVERNORS' REMUNERATION AND EXPENSES

The Head and staff Governors only receive remuneration in respect of services they provide undertaking the roles of Head 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 the Head's remuneration was £56,386 in the period ended 31 August 2012. The value of staff Governor's remuneration was £55,706.

During the period, out of pocket expenses totalling £58 were reimbursed to the Head and three Governors.

13. 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 maximum cover up to £500,000 and the cost for the period 17 August 2011 to 31 August 2012 was £705.

14. TANGIBLE FIXED ASSETS

	Leasehold land & buildings £	Fixtures, furniture & equipment £	Computer equipment £	Total £
Cost				
Assets transferred at 17 August 2011	2,710,133	23,378	-	2,733,511
Additions	2,086	3,632	1,944	7,662
At 31 August 2012	2,712,219	27,010	1,944	2,741,173
Depreciation				
Charge in period	46,324	4,614	433	51,371
At 31 August 2012	46,324	4,614	433	51,371
Net book values				
At 31 August 2012	2,665,895	22,396	1,511	2,689,802

All assets are used for educational purposes.

Fixed assets were transferred to the Academy on 17 August 2011 and those with an initial value of more than £500 were included on the fixed asset register. Assets with a value of less than £500 were transferred to the Academy but not recorded on the fixed asset register.

The buildings occupied by the Academy are leased from the Norwich Diocesan Board of Education for a 'peppercorn' rent for a period of 125 years. In addition, the land occupied by the Academy is leased from Norfolk County Council on a 125 year lease which commenced on 17 August 2011.

ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS for the period ended 31 August 2012

15. DEBTORS

	2012 £
Trade debtors	444
Prepayments and accrued income	33,067
Other debtors	<u>5,522</u>
	<u>39,033</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2012 £
Trade creditors	65,103
Accruals and deferred income	<u>3,450</u>
	<u>68,553</u>

17. FUNDS

	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2012 £
Restricted funds				
General Annual Grant (GAG)	784,140	(816,694)	32,554	-
Other DfE grants	85,353	(85,353)	-	-
Pension reserves	(70,000)	3,000	(30,000)	(97,000)
	<u>799,493</u>	<u>(899,047)</u>	<u>2,554</u>	<u>(97,000)</u>
Restricted fixed asset funds				
Assets transferred on conversion	2,733,511	(50,575)	-	2,682,936
	<u>2,733,511</u>	<u>(50,575)</u>	<u>-</u>	<u>2,682,936</u>
Total restricted funds	<u>3,533,004</u>	<u>(949,622)</u>	<u>2,554</u>	<u>2,585,936</u>
Unrestricted funds				
General reserves	108,080	(51,040)	(32,554)	24,486
Total unrestricted funds	<u>108,080</u>	<u>(51,040)</u>	<u>(32,554)</u>	<u>24,486</u>
Total funds	<u>3,641,084</u>	<u>(1,000,662)</u>	<u>(30,000)</u>	<u>2,610,422</u>

ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS for the period ended 31 August 2012

17. FUNDS

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

GAG & other DfE grants the restricted income fund is for the purpose of specific expenditure within the Academy's declared objectives. DfE grants relate to government funding for the provision of education by the Academy. Funding is repayable if the Academy does not meet all funding requirements.

Pension reserve represents Academy's liability relating to the Local Government Pension Scheme.

Fixed asset fund: represents the value of fixed assets received by the Academy on 17 August 2011 less accumulated depreciation.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2012 are represented by

	Unrestricted funds	Restricted funds	Pension liability	Restricted fixed asset funds	Total
	£	£	£	£	£
Tangible fixed assets	6,866	-	-	2,682,936	2,689,802
Net current assets	17,620	-	-	-	17,620
Pension scheme liability	-	-	(97,000)	-	(97,000)
	24,486	-	(97,000)	2,682,936	2,610,422

19. FUND TRANSFERS

Assets and liabilities transferred from St Mary's Junior School on 17 August 2011, following conversion to Academy status

	Unrestricted £	Restricted £	2012 £
Fixed assets	-	2,733,511	2,733,511
Debtors, prepayments and accrued income	3,845	-	3,845
Cash at bank and in hand	22,040	-	22,040
Creditors, accruals and deferred income	(3,845)	-	(3,845)
Pension scheme liability	-	(70,000)	(70,000)
	22,040	2,663,511	2,685,551

20. FINANCIAL COMMITMENTS

Operating leases

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

	2012 £
Assets other than land and buildings	
Operating leases which expire	
Within two to five years	1,678

ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS for the period ended 31 August 2012

21. MEMBERS' LIABILITY

Each member of the Academy undertakes to contribute to the assets of the Academy 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

22. 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 Norfolk County Council Both are defined benefit schemes

The pension costs are assessed in accordance with the advice of independent qualified actuaries The latest actuarial valuation of the TPS was 31 March 2004 and of the LGPS 31 August 2012

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

Teachers Pension Scheme

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

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

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

Following the implementation of Teachers' Pension (Employers' Supplementary Contributions) Regulations 2000, the Government Actuary carried out a further review on the level of employer contributions For the period from 17 August 2011 to 31 August 2012 the employer contribution was 14.1% The employee rate was 6.4% for the same period

Under the definitions set out in Financial Reporting Standard (FRS17) 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 FRS17 and 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

ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS for the period ended 31 August 2012

22. 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 period ended 31 August 2012 was £38,000 of which employer's contributions totalled £29,000 and employees' contributions totalled £9,000.

Principal Actuarial Assumptions

	At 31 August 2012
	%
Salary increase rate	4.5
Pension increase rate	2.2
Expected return on assets	4.8
Discount rate	4.1

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

Current pensioners

Males	21.2 years
Females	23.4 years

Future pensioners

Males	23.6 years
Females	25.8 years

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
	%	£
Equities	5.5%	93,000
Bonds	3.6%	31,000
Property	3.7%	18,000
Cash	2.8%	<u>4,000</u>
Total market value of assets		146,000
Present value of scheme liabilities – funded		<u>(243,000)</u>
Deficit in the scheme		<u>(97,000)</u>

The actual return on scheme assets was £11,000

ST MARY'S CHURCH OF ENGLAND JUNIOR SCHOOL

NOTES TO THE FINANCIAL STATEMENTS for the period ended 31 August 2012

22. PENSION AND SIMILAR OBLIGATIONS (CONTINUED)

Amounts recognised in the Statement of Financial Activities

	2012
	£
Current service cost (net of employee contributions)	<u>23,000</u>
Total operating charge	<u>23,000</u>
Analysis of pension finance income / (costs)	
Expected return on scheme assets	7,000
Interest on pension liabilities	<u>(10,000)</u>
Pension finance costs	<u>(3,000)</u>

The actuarial gains and losses for the current period 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 FRS17 is a £30,000 loss.

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

At 17 August 2011	168,000
Current service cost	23,000
Interest cost	10,000
Employee contributions	9,000
Actuarial loss	<u>33,000</u>
At 31 August 2012	<u>243,000</u>

Movements in the fair value of the scheme assets

At 17 August 2011	98,000
Expected return on assets	7,000
Actuarial gain	3,000
Employer contributions	29,000
Employee contributions	<u>9,000</u>
At 31 August 2012	<u>146,000</u>

The estimated value of employer contributions for the year ended 31 August 2013 is £29,000.