

SIR ROGER MANWOOD'S SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

McCabe Ford Williams
Statutory Auditors &
Chartered Accountants
Bank Chambers
1 Central Avenue
SITTINGBOURNE
Kent
ME10 4AE

SIR ROGER MANWOOD'S SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

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FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

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SIR ROGER MANWOOD'S SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

Registered Company number

07539918 (England and Wales)

Registered office

Sir Roger Manwood's School
Manwood Road
Sandwich
Kent
CT13 9JX

Governors

Miss S Baker	- appointed 1.3.11
Mrs J S Bodycomb	- appointed 1.3.11
Mrs C R Daniels	- appointed 1.3.11
Mrs C M Everard	- appointed 1.3.11
D Fuller	- appointed 1.3.11
Mrs M L Gorrige	- appointed 1.3.11
B Griffiths	- appointed 1.3.11
A J Kilbee	- appointed 1.3.11
Reverend M Roberts	- appointed 1.3.11
Mrs J C Rosso	- appointed 1.3.11
Mrs C S Sinnett-Smith	- appointed 1.3.11
Dr A Weatherley	- appointed 1.3.11
J R Williams	- appointed 1.3.11
J Boyes	- appointed 1.3.11
J D Bradley	- appointed 1.3.11
Ms A Pujadas-Telmon	- appointed 1.3.11
M Waite	- appointed 1.3.11
C L R Morgan	- appointed 1.3.11

Company Secretary

S Farrer

Senior Management Team

C L R Morgan	Headteacher
Ms Buchanan	Deputy Headteacher
Mr Thompson	Deputy Headteacher
Mr S Farrer	Business Manager

Auditors

Clair Rayner ACA (Senior Statutory Auditor)
McCabe Ford Williams
Statutory Auditors and
Chartered Accountants
Bank Chambers
1 Central Avenue
Sittingbourne
Kent
ME10 4AE

Bankers

National Westminster Bank PLC, 21 Market Street, Sandwich, Kent, CT13 9DD.

SIR ROGER MANWOOD'S SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE GOVERNORS
FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

The Governors present their annual report together with the financial statements and auditors' report of the company for the period ended 31 August 2011.

INCORPORATION

The company was incorporated on 23 February 2011 and commenced trading on 1 March 2011.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy is a company limited by guarantee and an exempt charity. The company's Memorandum and Articles of Association are the primary governing documents of the Academy.

The Governors act as the Trustees for the activities of Sir Roger Manwood's 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.

Governors' Indemnities

Subject to the provisions of the Companies Act 2006, every Governor, officer or auditor of the Academy shall be indemnified out of the assets of the Academy against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Academy.

Principal Activities

The principal activity of the Academy is to provide for the public benefit education by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

Method of Recruitment and Appointment or Election of Governors

The Governing Body may appoint up to four Community Governors and the Local Community Governor. They may also appoint staff Governors through such a process as they may determine, provided that the total number of Governors (including the Principal) who are employees of the Academy Trust does not exceed one third of the total number of Governors.

Foundation Governors are appointed on the following basis:

- two shall be appointed by The Lord Warden of the Cinque Ports;
- one shall be appointed by The Master and Fellow of Gonville and Caius College, Cambridge;
- one shall be appointed by The Rector of Lincoln College, Oxford, and;
- one shall be appointed by Canterbury Diocesan Board of Education, on behalf of the Archbishop of Canterbury.

The Headteacher shall be treated for all purposes as being an ex officio Governor.

The Parent Governors shall be elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time of their election. The Governing Body shall make all necessary arrangements form and determine all other matters relating to, an election of Parent Governors, including any question of whether a person is a parent of a registered pupil at the Academy. Any election of Parent Governors which is contested shall be held by secret ballot.

Where a vacancy for a Parent Governor is required to be filled by election, the Governing Body shall take such steps as are reasonably practical to secure that every person who is known to them to be a parent of a registered pupil at the Academy is informed of the vacancy and that it is required to be filled by election, informed that he is entitled to stand as candidate, and vote at the election, and given an opportunity to do so.

REPORT OF THE GOVERNORS
FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

STRUCTURE, GOVERNANCE AND MANAGEMENT - continued

Method of Recruitment and Appointment or Election of Governors - continued

In appointing a Parent Governor, the Governing Body shall appoint a person who is the parent of a registered pupil at the Academy, or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

The Staff Governors shall be elected by a secret ballot of all staff employed under a contract of employment or a contract for services or otherwise engaged to provide services to the Academy (excluding the Headteacher). All arrangements for the calling and the conduct of the election and resolution of questions as to whether any person is an eligible candidate shall be determined by the Governors. If a Staff Governor ceases to work at the Academy then he shall be deemed to have resigned and shall cease to be a Governor automatically on termination of his work at the Academy. Any election of a Staff Governor which is contested shall be held by secret ballot.

The first Parent Governors and Staff Governors shall be those people who filled those positions on the Governing Body of the predecessor Sir Roger Manwood's School at its closure (provided they remain eligible) who shall become Governors on the opening of the Academy as Parent or Staff Governors for the remainder of the terms of office for which they were elected to the predecessor Governing Body.

The Governors may appoint up to three co-opted Governors. The Governors may not co-opt an employee of the Academy Trust as a Co-opted Governor if thereby the number of Governors who are employees of the Academy Trust would exceed one third of the total number of Governors (including the Headteacher).

The Secretary of State may appoint Additional Governors as he thinks fit if a warning notice has been given to the Governors because the standards of performance are unacceptably low, there is a serious breakdown in the way the Academy is managed and the safety of staff and pupils is threatened and following this, the Governors have failed to comply, or secure compliance, with the notice to the Secretary of State's satisfaction within the compliance period.

The Secretary of State may also appoint Additional Governors following an inspection by the Chief Inspector in accordance with the Education Act 2005 the Academy Trust receives an Ofsted grading which amounts to a drop, either from one inspection to the next inspection or between any two inspections carried out within a five year period.

The Secretary of State may also appoint Further Governors as he thinks fit if a Special Measures Termination Event occurs.

Policies and Procedures Adopted for the Induction and Training of Governors

The induction provided for new Governors is tailored to their existing experience, with training provided on charity, educational, legal and financial matters as necessary. Copies of the policies, procedures, minutes, accounts, budget, plans and any other necessary documents that they will need to undertake their role as a Governor will be made available.

Ongoing training is available through Kent County Council Governor Services. They provide an annual calendar of training events in addition to online training that all Governors can access. Training sessions for all Governors are arranged at the School on appropriate topics, usually once per year.

Organisational Structure

The Governors are responsible for the strategic direction of the School, making major decisions and monitoring the activities of the School. This is achieved through three meetings a year of the Full Governing Body and meetings of Committees set up to look at specific areas of the School's activities. The Governors are responsible for monitoring the performance of the Headteacher on a regular basis.

The Headteacher is assisted by two Deputy Headteachers and two Assistant Headteachers. The organisational structure cascades via Senior Leaders and Middle Managers that includes the School Business Manager, Heads of Department and Heads of Year.

REPORT OF THE GOVERNORS
FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

STRUCTURE, GOVERNANCE AND MANAGEMENT- continued

Risk Management

The Governors have assessed the major risks to which the School is exposed, in particular those relating to the delivery of the curriculum, provision of facilities, Health & Safety and other operational areas and its finances.

Risks that have been considered over the current period have included the potential affect of the closure of the nearby Pfizer Site, the potential changes to funding over the next few years and the loss of capital investment due to the cancellation of the Building Schools for the Future Programme.

Measures are in place through policies and procedures to minimise those risk that can be quantified. Appropriate insurances are also in place.

Connected Organisations, including Related Party Relationships

The School has no subsidiaries and is not connected to any other organisation.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The School's object is to advance for the public benefit education in the Sandwich area of Kent, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a selective school offering a broad and balanced curriculum.

The School aims to:

Ensure that the School's curriculum continues to meet the needs of its students, and staff continue to aspire to the highest standards of teaching and learning in its delivery.

Continually review the curriculum and its delivery in order to ensure that it meets the needs of its students, encourages high aspirations and enables them to fulfil their potential.

Provide excellent CPD opportunities for all staff.

Further develop the use of ICT in school to support teaching and learning and administration within school.

Continue to develop the PSHCEE provision with particular focus on health, sex, drugs, life skills and citizenship education.

Develop further the advice and information made available at different times to students regarding choices of courses in school, the UCAS process and choices of degree courses and Higher Education Institutions and the careers opportunities available after school and university.

Objectives, Strategies and Activities

The School has worked hard to achieve its aims and the Governors have been kept informed through the work of the committees and reporting to the Full Governing Body.

It is considered that the current curriculum mix is appropriate for the vast majority of students. The A Level Extended Project has been offered for the second year. Embedded in academic studies are the development of higher order thinking skills.

Performance Management procedures continue for both teaching and support staff. A programme of in house CPD is offered as well as opportunities for attendance at external programmes.

Investment has been made in ICT infrastructure together with applications such as the Moodle VLE. This has been supported with staff development.

SIR ROGER MANWOOD'S SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

REPORT OF THE GOVERNORS
FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

OBJECTIVES AND ACTIVITIES - continued

Objectives, Strategies and Activities - continued

A programme for the delivery of PSHCEE has been developed to ensure key areas are covered in the relevant years.

Advice and guidance to students in regard to choice of courses is offered at key times in their school career.

The School has an equally important busy extra-curricular life.

Public Benefit

The Governors confirm that they have complied with the duties in Section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit.

We have referred to the guidance in the Charity Commissions general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Governors consider how planned activities will contribute to the aims and objectives they have set

The public benefit of Sir Roger Manwood's School is the advancement of education within the local community.

ACHIEVEMENTS AND PERFORMANCE

The School had 916 students on roll and this included 51 boarders.

At GCSE - 96.9% at 5A*-C including English and Maths, average points score per candidate 546.2, average points score per entry 49 and capped points score 407. 55% of all the exams taken passed at the top grades of A* and A.

At A Level – 99.3% pass rate A-E. 59% of all the exams taken passed at the top grades of A*, A and B.

At AS Level – 95.2% pass rate A-E.

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

The Academy's accounting period covers a six month trading period from 1 March 2011 to 31 August 2011.

The majority of the School's income is obtained from the YPLA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the YPLA during the period ended 31 August 2011 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Academy also received grants for fixed assets from the YPLA and via the local authority. In accordance with the Charities Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed assets fund.

The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned

The School is in its first year of operation having taken over the previous educational activity of Sir Roger Manwood's School operating as a Foundation School, and has made investment that includes acquiring the fixed assets of the predecessor Foundation School.

The School has also received income in respect of its boarding facility and lettings.

REPORT OF THE GOVERNORS
FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

FINANCIAL REVIEW - continued

Financial and Risk Management Objectives and Policies

The future financial and risk management objectives for the Academy include:

- Ensuring that the impact from the current tightening of funding in the public sector is fully taken in to consideration when decisions about future spending are taken.

Principal Risks and Uncertainties

The principal risk and uncertainty in respect of the School relates to the future funding available. The School mitigates this risk as far as possible by preparing budgets which are reviewed by the Governors to ensure that the level of anticipated funding is sufficient to meet the requirements of the School. Any shortfall identified is considered by the Governors and remedial action taken with a view to balancing the budget.

Reserves Policy

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments of the School, including future capital projects, and the nature of the reserves. The Governors keep the level of the reserves under review.

Investment Policy

The School is limited to the amount of reserves that it is able to hold and in general these need to be readily accessible. The practice is, therefore, to keep any reserves in an interest bearing bank account.

Plans for Future Periods

The School seeks continuous improvement in its provision of education and a similar improvement in its fixed assets and its resources.

Funds held as Custodian Trustee on behalf of others

The Governors hold no funds as custodian trustee.

Auditors

In so far as the Governors are aware:

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

The auditors, McCabe Ford Williams, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the members of the Governing Body on 15 December 2011 and signed on its behalf by:

.....
Dr A Weatherley
Chair

STATEMENT ON INTERNAL CONTROL
FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

Scope of Responsibility

As Governors, we acknowledge we have overall responsibility for ensuring that Sir Roger Manwood's 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 Governing Body has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Sir Roger Manwood's School 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.

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 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 Sir Roger Manwood's School for the period ended 31 August 2011 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 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's significant risks that has been in place for the period ending 31 August 2011 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's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body;
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed T Mills, an external sufficiently qualified individual, as Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a quarterly basis, the RO reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

STATEMENT ON INTERNAL CONTROL
FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

Review of Effectiveness

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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and General Purposes 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 15 December 2011 and signed on its behalf by:

.....
Dr A Weatherley
Chair

.....
C L R Morgan
Accounting Officer

SIR ROGER MANWOOD'S SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

The Governors (who act as Trustees for the activities of Sir Roger Manwood's School and are also the Directors of the company for the purposes of company law) are responsible for preparing the Governors' report and the financial statements in accordance with the Annual Accounts Requirements issued by the Young People's Learning 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 company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 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 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 Young People's Learning Agency/Department of Education 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 company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Governing Body on 15 December 2011 and signed on its behalf by:

.....
Dr A Weatherley
Chair

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SIR ROGER MANWOOD'S SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

We have audited the financial statements of Sir Roger Manwood's School for the period 23 February 2011 to 31 August 2011 on pages twelve to thirty two. 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 2010/11 issued by the Young People's Learning Agency.

This report is made solely to the 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 company's Governors 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 company and the company's Governors as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and Auditors

As explained more fully in the Statement of Governors' Responsibilities set out on page nine, the Governors 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 the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2011 and of its surplus for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Annual Accounts Direction 2010/11 issued by the Young People's Learning Agency.

Opinion on other matter prescribed by the Companies Act 2006

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

Opinion on other matter prescribed by the Young People's Learning Agency's Annual Accounts Direction 2010/11

In our opinion grants from the Department of Education and the Young People's Learning Agency were used for the purposes intended.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SIR ROGER MANWOOD'S SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

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.

Clair Rayner ACA (Senior Statutory Auditor)
for and on behalf of McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Bank Chambers
1 Central Avenue
Sittingbourne
Kent
ME10 4AE

Date:.....

SIR ROGER MANWOOD'S SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	3	320,068	42,276	25,914,086	26,276,430
Activities for generating funds	4	236,426	103,290	-	339,716
Investment income	5	78	-	-	78
Incoming resources from charitable activities					
Funding for the Academy's educational operations	6	-	2,342,486	127,467	2,469,953
Other incoming resources		38,626	-	-	38,626
Total incoming resources		595,198	2,488,052	26,041,553	29,124,803
RESOURCES EXPENDED					
Cost of generating funds					
Fundraising trading		267,442	79,366	-	346,808
Charitable activities					
Academy's educational operations	8	-	2,306,388	272,024	2,578,412
Governance costs	9	-	8,500	-	8,500
Total resources expended	7	267,442	2,394,254	272,024	2,933,720
Net incoming resources before transfers		327,756	93,798	25,769,529	26,191,083
Gross transfers between funds	18	-	(10,036)	10,036	-
Net income/(expenditure) for the year before other recognised gains and losses		327,756	83,762	25,779,565	26,191,083
Other recognised gains/losses					
Actuarial gains/(losses) on defined benefit pension schemes	18&22	-	55,000	-	55,000
Deficit brought forward on LGPS defined benefit pension scheme	18&22	-	(543,000)	-	(543,000)
Net movement in funds		327,756	(404,238)	25,779,565	25,703,083
RECONCILIATION OF FUNDS					
Total funds brought forward		-	-	-	-
TOTAL FUNDS CARRIED FORWARD		327,756	(404,238)	25,779,565	25,703,083

All of the Academy's activities derive from continuing operations during the above financial period.

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

SIR ROGER MANWOOD'S SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

BALANCE SHEET
AS AT 31 AUGUST 2011

	Notes	Total Funds £	Total Funds £
FIXED ASSETS			
Tangible assets	13		25,672,315
CURRENT ASSETS			
Stocks	14	1,970	
Debtors: amounts falling due within one year	15	161,707	
Cash at bank and in hand		926,574	
		<u>1,090,251</u>	
CREDITORS			
Amounts falling due within one year	16	<u>(559,483)</u>	
NET CURRENT ASSETS			<u>530,768</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			26,203,083
NET ASSETS EXCLUDING PENSION LIABILITY			26,203,083
Pension scheme liability	22		<u>(500,000)</u>
NET ASSETS INCLUDING PENSION LIABILITY			<u>25,703,083</u>
FUNDS OF THE ACADEMY:			
RESTRICTED FUNDS			
Fixed asset funds	18	25,779,565	
General funds	18	95,762	
Pension fund	18	<u>(500,000)</u>	
TOTAL RESTRICTED FUNDS			25,375,327
UNRESTRICTED FUNDS			
General funds	18	<u>327,756</u>	
TOTAL UNRESTRICTED FUNDS			<u>327,756</u>
TOTAL FUNDS			<u>25,703,083</u>

The financial statements on pages twelve to thirty two were approved by the Governors, and authorised for issue on 15 December 2011 and signed on their behalf by:

.....
Dr A Weatherley
Chair

Company Registered Number: 07539918

SIR ROGER MANWOOD'S SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

CASH FLOW STATEMENT
FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

		31.08.11
		£
Net cash inflow from operating activities	Notes 1	898,516
Returns on investments and servicing of finance	2	78
Capital expenditure and financial investment	2	(61,229)
		<hr/>
Increase/(decrease) in cash in the period		<u>837,365</u>
<hr/>		
Reconciliation of net cash flow to movement in net funds/debt	3	
Increase in cash in the period		837,365
Net debt at 1 September		<hr/> -
Net debt at 31 August		<u>837,365</u>

SIR ROGER MANWOOD'S SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE CASH FLOW STATEMENT
FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

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

	31.08.11
	£
Net incoming resources	26,191,083
School buildings transfer included within donations	(25,773,160)
Other donated fixed assets included within donations	(109,950)
Depreciation charges (note 13)	271,424
Loss on disposal of fixed assets	600
Interest received (note 5)	(78)
FRS 17 pension cost less contributions payable (note 22)	(1,000)
FRS 17 pension finance income (note 22)	13,000
Increase in stocks	(1,970)
Increase in debtors	(161,707)
Increase in creditors	<u>470,274</u>
Net cash inflow from operating activities	<u><u>898,516</u></u>

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

	31.08.11
	£
Returns on investments and servicing of finance	
Interest received	<u>78</u>
Net cash inflow for returns on investments and servicing of finance	<u><u>78</u></u>
Capital expenditure and financial investment	
Purchase of tangible fixed assets	(67,979)
Receipts from sale of tangible fixed assets	<u>6,750</u>
Net cash outflow for capital expenditure and financial investment	<u><u>(61,229)</u></u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 23.02.11	Cash flow	At 31.08.11
	£	£	£
Net cash:			
Cash at bank and in hand	-	926,574	926,574
Bank overdraft	<u>-</u>	<u>(89,209)</u>	<u>(89,209)</u>
Total	<u><u>-</u></u>	<u><u>837,365</u></u>	<u><u>837,365</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

1. ACCOUNTING POLICIES

Basis of preparation

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

Going concern

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

Incoming resources

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

Grants receivable

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

Donations

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

Other income

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

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.

Property transferred upon conversion to an Academy

Upon becoming an Academy, the company received title to the freehold of the school buildings for no consideration. The freehold property has been valued based on the insurance rebuild cost and this has been brought into the restricted fixed asset fund as a donation within the Statement of Financial Activities.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

1. ACCOUNTING POLICIES - continued

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 charges 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 in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities

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

Governance costs

These include the costs attributable to the Academy's compliance with constitutional and statutory requirements, including audit, strategic management and governor's meetings and reimbursed expenses. All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets

Assets costing £100 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Freehold property	- straight line over 50 years
School equipment	- straight line over 5 years
Fixtures and fittings	- straight line over 5 years
Motor vehicles	- straight line over 5 years
Computer equipment	- straight line over 3 years

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

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

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

1. ACCOUNTING POLICIES - continued

Leased assets

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

Stock

Catering stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

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

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 quadrennial valuations using a prospective benefit method. As stated in note 22, the TPS is a multi employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

Fund Accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Young People's Learning Agency 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 Young People's Learning Agency and Kent County Council.

SIR ROGER MANWOOD'S SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

2. GENERAL ANNUAL GRANT (GAG)

a. Results and carry forward for the Year

	31.08.11 £
GAG brought forward from previous year	-
Add: GAG allocation for current year	<u>2,035,091</u>
Total GAG available to spend	2,035,091
Less: Recurrent expenditure from GAG	(2,012,792)
Less: Capital expenditure from GAG	(10,036)
Less: Other expenditure transferred from GAG fund	<u>(2,065)</u>
GAG carried forward to next year	10,198
Less: Maximum permitted GAG carried forward at end of current year (12% of allocation of current year)	<u>(244,211)</u>
GAG to surrender to DfE (12% rule breached if rule is positive)	<u>(234,013)</u>
	no breach

The estimated number of pupils used to calculate the GAG income for the period 23 February 2011 to 31 August 2011 was 917. Actual pupil numbers at 31 May 2011 were 912. As the variation from the estimated numbers was lower than 2.5% there will be no claw back of the grant.

b. Use of GAG brought forward from previous year for recurrent purposes

(of the amount carried forward each year a maximum of 2% of GAG can be used for recurrent purposes. Any balance, up to a maximum of 12%, can only be used for capital purposes)

	31.08.11 £
Recurrent expenditure from GAG in current year	2,012,792
GAG allocation for current year	(2,035,091)
GAG allocation for the previous year x 2%	<u>-</u>
GAG brought forward from previous year in excess of 2% used on recurrent expenditure in current year (2% rule breached if result is positive)	<u>(22,299)</u>
	no breach

SIR ROGER MANWOOD'S SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

3. VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	31.08.11 Total Funds £
Capital donations	-	25,914,086	25,914,086
Other donations	<u>320,068</u>	<u>42,276</u>	<u>362,344</u>
	<u>320,068</u>	<u>25,956,362</u>	<u>26,276,430</u>

4. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds £	Restricted Funds £	31.08.11 Total Funds £
School trip income	62	103,290	103,352
Lettings	27,355	-	27,355
Student resales	9,789	-	9,789
Catering	44,107	-	44,107
Boarding income	154,657	-	154,657
Student insurance	<u>456</u>	<u>-</u>	<u>456</u>
	<u>236,426</u>	<u>103,290</u>	<u>339,716</u>

5. INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	31.08.11 Total Funds £
Deposit account interest	<u>78</u>	<u>-</u>	<u>78</u>
	<u>78</u>	<u>-</u>	<u>78</u>

SIR ROGER MANWOOD'S SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

6. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £	Restricted Funds £	31.08.11 Total Funds £
DfE/YPLA CAPITAL GRANT			
YPLA capital grant	-	20,217	20,217
Annual Capital Maintenance Fund	-	107,250	107,250
	-	127,467	127,467
DfE/YPLA REVENUE GRANTS			
General Annual Grant (GAG) (note 2)	-	2,035,091	2,035,091
Other DfE/YPLA grants	-	277,985	277,985
	-	2,313,076	2,313,076
OTHER GOVERNMENT GRANTS			
Pupil premium	-	3,870	3,870
Bursary fund	-	12,540	12,540
AST	-	12,000	12,000
Music grant	-	1,000	1,000
	-	29,410	29,410
	-	2,469,953	2,469,953

7. RESOURCES EXPENDED

	Staff Costs £	Premises Costs £	Other Costs £	31.08.11 Total £
Costs of generating voluntary income	-	-	-	-
Costs of activities for generating funds	113,666	64,914	168,228	346,808
<i>Academy's educational operations</i>				
Direct costs	1,669,861	113,532	540,920	2,324,313
Allocated support costs	129,582	15,098	109,419	254,099
	1,913,109	193,544	818,567	2,925,220
Governance costs including allocated support costs	-	-	8,500	8,500
	1,913,109	193,544	827,067	2,933,720

SIR ROGER MANWOOD'S SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

7. RESOURCES EXPENDED - continued

Incoming/outgoing resources for the year include:

	31.08.11
	£
Auditors' remuneration	7,500
Auditors' remuneration for non-audit work	1,000
Depreciation – owned assets	271,424
Profit/(loss) on disposal of fixed assets	<u>600</u>

8. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £	Restricted Funds £	31.08.11 Total £
Direct costs			
Teaching and educational support staff costs	-	1,669,861	1,669,861
Premises expenses	-	113,532	113,532
Depreciation	-	271,424	271,424
Educational supplies	-	77,699	77,699
Examination fees	-	75,830	75,830
Staff development	-	5,600	5,600
Other direct costs	-	<u>110,367</u>	<u>110,367</u>
	<u>-</u>	<u>2,324,313</u>	<u>2,324,313</u>
Allocated support costs			
Support staff costs	-	129,582	129,582
Recruitment and support	-	6,745	6,745
Maintenance of premises and equipment	-	10,812	10,812
Professional fees	-	25,749	25,749
Cleaning	-	3,212	3,212
Rates and water	-	1,548	1,548
Insurance	-	24,593	24,593
Light and heat	-	2,738	2,738
Hire of equipment	-	11,751	11,751
Bank interest and charges	-	520	520
FRS17 interest less expected return on assets	-	13,000	13,000
Other support costs	-	<u>23,849</u>	<u>23,849</u>
	<u>-</u>	<u>254,099</u>	<u>254,099</u>
	<u>-</u>	<u>2,578,412</u>	<u>2,578,412</u>

SIR ROGER MANWOOD'S SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

9. GOVERNANCE COSTS

	Unrestricted Funds £	Restricted Funds £	31.08.11 Total £
Auditor's remuneration			
Audit of financial statements	-	7,500	7,500
Accounts preparation	-	1,000	1,000
	<u>-</u>	<u>8,500</u>	<u>8,500</u>

10. STAFF COSTS

Staff costs during the period were:

	31.08.11 £
Wages and salaries	1,576,033
Social security costs	119,844
Pension costs	214,763
	<u>1,910,640</u>
Supply teacher costs	<u>2,469</u>
	<u>1,913,109</u>

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

	31.08.11
Charitable activities	
Teachers and educational support	47
Administration and support	10
Management	3
	<u>60</u>

The number of employees whose emoluments fell within the following bands (pro-rated) was:

	31.08.11
£60,001 - £70,000	2
£70,001 - £80,000	<u>1</u>

All of the above employees participated in the Teachers' Pension Scheme. During the period ended 31 August 2011, pension contributions for these staff amounted to £15,393.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

11. 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, other than expenses, from the Academy in respect of their role as Governors. The value of the Headteacher's remuneration was £43,183 in 2011. The value of Staff Governor's remuneration was £45,509.

During the year ended 31 August 2011, travel and subsistence expenses totalling £721 were reimbursed to 3 Governors.

Related party transactions involving the Governors are set out in note 23.

12. GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

13. TANGIBLE FIXED ASSETS

	Freehold Property £	School Equipment	Fixtures and Fittings	Motor Vehicles	Computer Equipment	Totals
COST						
Additions	25,773,160	57,943	13,000	54,131	52,855	25,951,089
Disposals	-	-	-	(6,750)	(600)	(7,350)
At 31 August 2011	<u>25,773,160</u>	<u>57,943</u>	<u>13,000</u>	<u>47,381</u>	<u>52,255</u>	<u>25,943,739</u>
DEPRECIATION						
Charge for year	<u>257,732</u>	<u>5,585</u>	<u>1,300</u>	<u>3,707</u>	<u>3,100</u>	<u>271,424</u>
NET BOOK VALUE						
At 31 August 2011	<u>25,515,428</u>	<u>52,358</u>	<u>11,700</u>	<u>43,674</u>	<u>49,155</u>	<u>25,672,315</u>

SIR ROGER MANWOOD'S SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

14. STOCKS

	31.08.11
	£
Catering	<u>1,970</u>

15. DEBTORS

	31.08.11
	£
Trade debtors	83,168
VAT	53,960
Prepayments and accrued income	<u>24,579</u>
	<u>161,707</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.08.11
	£
Bank loans and overdrafts (note 17)	89,209
Trade creditors	86,404
Social security and other taxes	127,390
Other creditors	71,944
Accrued expenses	<u>184,536</u>
	<u>559,483</u>

17. LOANS

An analysis of the maturity of loans is given below:

	31.08.11
	£
Amounts falling due within one year on demand:	
Bank overdraft	<u>89,209</u>

SIR ROGER MANWOOD'S SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

18. FUNDS

	Balance at 23 February 2011 £	Incoming Resources £	Resources Expended £	Gains, losses and transfers £	Balance at 31 August 2011 £
Restricted general funds					
General Annual Grant (GAG)	-	2,035,091	(2,012,792)	(12,101)	10,198
School Voluntary Fund	-	145,566	(79,367)	-	66,199
Insurance Fund	-	41,894	(24,594)	2,065	19,365
Other DfE/YPLA grants	-	265,501	(265,501)	-	-
Pension reserve	-	-	(12,000)	(488,000)	(500,000)
	-	<u>2,488,052</u>	<u>(2,394,254)</u>	<u>(498,036)</u>	<u>(404,238)</u>
Restricted fixed asset funds					
Transfer of property	-	25,773,160	(257,732)	-	25,515,428
Donations of other assets	-	109,950	(13,260)	-	96,690
Devolved capital expenditure	-	51,193	(1,032)	10,036	60,197
YPLA Annual Capital Maintenance Fund	-	107,250	-	-	107,250
	-	<u>26,041,553</u>	<u>(272,024)</u>	<u>10,036</u>	<u>25,779,565</u>
Total restricted funds	-	<u>28,751,063</u>	<u>(2,666,278)</u>	<u>(488,000)</u>	<u>25,375,327</u>
Unrestricted funds					
Unrestricted funds	-	595,198	(267,442)	-	327,756
	-	<u>595,198</u>	<u>(267,442)</u>	<u>-</u>	<u>327,756</u>
Total funds	-	<u>29,124,803</u>	<u>(2,933,720)</u>	<u>(488,000)</u>	<u>25,703,083</u>

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

General Annual Grant (GAG)

Funds must be used for the normal running costs of the Academy. The Academy is allowed to carry forward up to 12% of the current GAG to the next accounting period of which up to 2% can be used for recurrent expenditure, however the balance must be used for capital purposes.

Other restricted general funds

Funding is provided by Government grants in addition to the GAG which must be used for the provision of education for special needs purposes and other specified activities.

Restricted fixed asset funds

Funding is provided by way of Government grants or capital expenditure from the GAG in order to acquire specified fixed assets for use by the Academy in achieving its educational objectives.

A one-off transfer of buildings and other fixed assets previously in use by Sir Roger Manwood's School occurred upon conversion to an Academy.

Unrestricted funds

Unrestricted funds can be used for any purpose at the discretion of the Academy.

SIR ROGER MANWOOD'S SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total Funds £
Tangible fixed assets	-	-	25,672,315	25,672,315
Current assets	815,296	167,705	107,250	1,090,251
Current liabilities	(487,540)	(71,943)	-	(559,483)
Pension scheme liability	-	(500,000)	-	(500,000)
	<u>327,756</u>	<u>(404,238)</u>	<u>25,779,565</u>	<u>25,703,083</u>

20. OPERATING LEASE COMMITMENTS

At 31 August 2011 the Academy had annual commitments under non cancellable operating leases as follows:

	31.08.11 £
Other	
Expiring within one year	1,222
Expiring within two and five years inclusive	<u>7,954</u>
	<u>9,176</u>

21. MEMBERS LIABILITY

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

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

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 Kent 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 March 2010.

Contributions amounting to £51,351 were payable to the schemes at 31 August and are included within creditors.

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 Teacher's Pension (Employers' Supplementary Contributions) Regulations 2000, the Government Actuary carried out a further review on the level of employer contributions. For the period from 23 February 2011 to 31 August 2011 the employer contribution was 14.1 per cent. The employee rate was 6.4% for the same period.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multiemployer pension scheme. The Academy is unable to identify its share of the underlying assets and liabilities of the scheme.

Accordingly, the Academy has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined-contribution scheme. The Academy has set out above the information available on the scheme and the implications for the Academy in terms of the anticipated contribution rates.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

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 23 February 2011 to 31 August 2011 was £59,000, of which employer's contributions totalled £47,000 and employees' contributions totalled £12,000.

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

	31.08.11
Discount rate	5.40%
Price increases	2.60%
Expected return on scheme assets	6.40%
Future salary increases	4.90%
Future pension increases	2.60%
Commutation of pension to lump sums	50%

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

	31.08.11
Retiring today	
Males	19.8
Females	23.9
Retiring in 20 years	
Males	21.9
Females	25.8

The following table sets out the impact of a small change in the discount rates on the defined benefit obligation and projected service cost along with a +/- 1 year age rating adjustment to the mortality assumption:

	£	£	£
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	786,000	807,000	829,000
Projected service cost	86,000	89,000	92,000
Adjustment to mortality age rating assumption	+1 year	None	-1 year
Present value of total obligation	777,000	807,000	838,000
Projected service cost	85,000	89,000	93,000

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

22. PENSION AND SIMILAR OBLIGATIONS - continued

Local Government Pension Scheme - continued

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

	Expected return at 31 August 2011	Fair value at 31 August 2011 £
Equities	6.90%	224,000
Gilts	3.80%	3,000
Other bonds	5.40%	43,000
Property	4.90%	28,000
Cash	3.00%	<u>9,000</u>
Total market value of assets		307,000
Present value of scheme liabilities		
-Funded		<u>(807,000)</u>
Surplus/(deficit) in the scheme		<u>(500,000)</u>

The expected return on assets is based on the long-term future expected investment return for each asset class at the beginning of the period. The returns on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an adjustment to reflect default risk) respectively at the relevant date. The returns on equities and property are then assumed to be a margin above gilt yields.

The actual return on scheme assets was £2,000.

The amounts recognised in the Statement of Financial Activities are as follows:

	Defined benefit pension plans 31.08.11 £
Current service cost (net of employee contributions)	<u>46,000</u>
Total operating charge	<u>46,000</u>
Analysis of pension finance income/(costs)	
Expected return on pension scheme assets	9,000
Interest on pension liabilities	<u>(22,000)</u>
Pension finance income/(costs)	<u>(13,000)</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

22. PENSION AND SIMILAR OBLIGATIONS - continued

Local Government Pension Scheme - continued

The actuarial gains and losses for the current year are recognised in the Statement of Financial Activities. The cumulative amount of actuarial gains and losses recognised in the Statement of Financial Activities since the adoption of FRS 17 is a £55,000 gain.

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

	Defined benefit pension plans
	31.08.11
	£
Opening defined benefit obligation	788,000
Current service cost	46,000
Contributions by scheme participants	12,000
Interest cost	22,000
Actuarial losses/(gains)	<u>(61,000)</u>
	<u>807,000</u>

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

	Defined benefit pension plans
	31.08.11
	£
Opening fair value of scheme assets	245,000
Contributions by employer	47,000
Contributions by scheme participants	12,000
Expected return	9,000
Actuarial (losses)/gains	<u>(6,000)</u>
	<u>307,000</u>

The estimated value of employer contributions for the year ended 31 August 2012 is £98,000.

Amounts for the current period are as follows:

	31.08.11
Defined benefit pension plans	
Defined benefit obligation	(807,000)
Fair value of scheme assets	307,000
Surplus /(Deficit)	(500,000)
Experience adjustments on scheme assets	(6,000)
Experience adjustments on scheme liabilities	-

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 23 FEBRUARY 2011 TO 31 AUGUST 2011

23. RELATED PARTY TRANSACTIONS

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

Malcolm Waite Limited – a company which Mr M Waite, a Governor, wholly owns.

Transactions totalling £28,639, relating to the purchase of a new motor vehicle, fuel, vehicle repairs and servicing took place in the period. There were no amounts outstanding at 31 August 2011.

Staff Governors, Miss A Pujadas-Telmon and Mr J Williams, were reimbursed £41 and £654 respectively for travel expenses during the period.

Mr A Kilbee, a Governor, was reimbursed expenses of £26 during the period.