
financial statements

Sweyne Park School

For the year ended 31 August 2013

Company registration number 08401607



MHA MacIntyre Hudson
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THE SWEYNE PARK SCHOOL
(A Company Limited by Guarantee)

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THE SWEYNE PARK SCHOOL (A Company Limited by Guarantee)

Reference and Administrative Details

Governors

* Lynda Walker (Chair of Governors) - Curriculum / Finance /Personnel / Premises
* Phil Bridgen (Vice Chair) - Curriculum / Finance /Personnel / Premises
* Ian Smith(Chair of Finance) - Finance / Premises
* Tina Carter - Personnel / Premises
* Jacqui Clements - Curriculum / Personnel
Derek Few - Curriculum / Finance /Personnel / Premises
Kay Burke - Curriculum / Personnel
Julie Hunt - Curriculum / Personnel / Premises
Lorraine Pope - Curriculum / Personnel
Mike Culley - Curriculum / Personnel
Mary Roper - Finance / Personnel / Premises
John Staines - Finance / Premises
Wendy Williamson (Staff Governor) - Curriculum / Premises
Chris Hogg (Staff Governor) - Finance / Premises
Sue Shirley (Staff Governor) - Curriculum / Personnel
Kyla Tosh - Curriculum / Premises
Andy Hodgkinson - Curriculum / Finance /Personnel / Premises

* members of the Company

Company Secretary

Simon Smith

Senior Management Team

- Headteacher
- Deputy Headteacher
- Deputy Headteacher
- Assistant Headteacher
- Assistant Headteacher
- Assistant Headteacher
- Assistant Headteacher

Andy Hodgkinson
Katharine Dines
Sally Pemberton
Sue Donovan
Ed Hawkings
Andrew Jenkins
June Morgan

Principal and Registered Office

Sir Walter Raleigh Drive
Rayleigh
Essex
SS6 9BZ

Company Registration Number

08401607

Independent Auditor

MHA MacIntyre Hudson
Chartered Accountants & Statutory Auditors
Boundary House
4 County Place
Chelmsford
Essex
CM2 0RE

**THE SWEYNE PARK SCHOOL
(A Company Limited by Guarantee)**

Reference and Administrative Details

Bankers

Lloyds Bank
78 High Street
Rayleigh
Essex
SS6 7EB

Solicitors

Michaelmores LLP
48 Chancery Lane
London
WC2A 1JF

THE SWEYNE PARK SCHOOL

(A Company Limited by Guarantee)

Governors' Report

For the period ended 31 August 2013

The governors present their annual report together with the financial statements and auditor's reports of the charitable company for the period 13 February 2013 to 31 August 2013

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The governors of The Sweyne Park School are also the directors of the charitable company for the purposes of company law. The charitable company is known as Sweyne Park School.

Details of the governors who served during the year are included in the Reference and Administrative Details on page 1

Members' Liability

There are five members of the Charitable Company Lynda Walker, Phil Bridgen, Ian Smith, Tina Carter, Jacqui Clements. Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Trustees' Indemnities

The academy has purchased insurance to cover governors and officers from claims arising from negligent acts, errors or omissions occurring while on academy business. Details of the costs can be found in Note 11 to the accounts.

Principal Activities

The principal activity of the Academy 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 offering a broad and balanced curriculum to ensure the highest possible educational standards. To promote for the benefit of the inhabitants of Rayleigh and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities because of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the pupils at large in the interests of social welfare and with the object of improving the conditions of life of the said inhabitants.

Method of Recruitment and Appointment or Election of Governors

The Academy's Governing Body comprises 5 member governors the Headteacher, 6 governors who are member appointed and 6 who are governor appointed. There are 3 staff governors (2 teaching 1 support staff). Parent Governors are elected by the parents of current pupils of the Academy Trust. As provided for in the articles of Association, the Members appointed the current Parent Governors on the basis that they had been elected to serve as Parent Governors of the former Sweyne Park School. Staff Governors are elected by the staff currently employed by the Academy Trust. The Members appointed the current Staff Governors on the basis that they had been elected to serve as Staff Governors of the former Sweyne Park School. With regard to the appointment of other Governors, the Board will give consideration to the skills mix of the Governors in order to ensure that the Board of Governors has the necessary skills to contribute fully to the Academy's development.

Policies and Procedures Adopted for the Induction and Training of Governors

All new governors participate in an induction programme. In addition, all governors are issued with a copy of the termly headteacher's report to governors (giving a wide range of information and guidance relating to the governance of the Academy Trust).

Governor Training Evenings are held and Governors are regular visitors to the school during "normal school" hours. The school subscribes to a "governor services" package from the local authority. Training packages and advice are also available as required.

THE SWEYNE PARK SCHOOL

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Governors' Report

For the period ended 31 August 2013

Organisational Structure

The Board of Governors normally meets once each academic term. The Board establishes an overall framework for the governance of the Academy and agrees membership of Committees and Statutory and other Panels. It receives reports, and in particular policy documents, from its committees for ratification. It monitors the activities of the Committees through the Minutes of their meetings and provides both challenge and support to the Headteacher. It also establishes the Terms of Reference and Procedures for its Committees. The board of Governors may also, from time to time, establish Working Groups to perform specific tasks over a limited timescale.

The following decisions are reserved to the Board of Governors: to determine any proposals for the alteration, closure or change of category of the Academy, to amend the constitution of the Governing Body, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Secretary to the Governors, to suspend governors, to determine the ethos of the school, to delegate specific responsibilities of any Governor, Committee, the Headteacher or other holder of an executive office, and to determine and review annually the terms of reference, constitution and membership of all Committees, prospectus, to decide school session times and dates of school terms and holidays, to make arrangement for staff dismissal appeals, to set up panels for the selection of the Headteacher, to develop, monitor and review the Academy Trust's Freedom of Information Act 2000 Publication Scheme, to approve the annual Development Plan and to monitor the annual Register of Interests.

There are four committees as follows:

- The Curriculum Committee, which meets twice a term to monitor, evaluate and review school policy and practice in relation to curriculum planning, communications and publications, target-setting and performance data, assessment, recording and reporting, examinations, literacy and numeracy policies and all pastoral issues. This includes arrangements for Special Educational Needs, behaviour and discipline, collective worship and religious education.
- The Finance Committee, which meets six times a year to monitor, evaluate and review school policy and practice in relation to financial planning and monitoring, to decide how to spend the General Annual Grant and other funds under the control of governors for the purposes of the Academy Trust, to monitor and ensure compliance with DfE, EFA, Charity Commission and other relevant bodies and all relevant legal requirements in relation to the proper financial management of Academy Trust, to agree limits of financial delegation, to ensure that full accounts are kept, to arrange appropriate insurance cover, to receive the termly report of the Responsible Officer, to report the Academy Trust's financial position to the Governing Body at least once a term. The role of the audit committee and the role of responsible officer has been assumed by the Finance committee.
- Plan, to plan and approve specific capital projects (including the consideration and approval of tenders), to ensure the effective security, development and maintenance of the Academy Trust's land, buildings, equipment and vehicles, to develop, monitor and review the Academy Trust's Health and Safety Policy, to make arrangements for the effective provision of services such as catering, to develop and monitor the Sustainable School Policy. The Premises Committee meets on the same evening as, and prior to, the Finance Committee, to enable swift and sound financial decision-making to secure best value.
- The Personnel Committee which meets twice a term to review the staffing structure of the Academy Trust and decide, within the resources available, how many teaching and support staff should be employed, to advise the Governing Body on the procedures for the selection of the Headteacher, to select for appointment Deputy Headteachers, Assistant Headteachers, to determine pay and conditions for all staff to monitor performance management policies for all staff, to approve salary increases linked to performance reviews for the Senior Leadership Team, to make arrangements for the Headteacher's Performance Management review, to review safeguarding checks as part of the employment of new staff, to ensure effective arrangements are in place for succession planning for all staff, to make arrangements for Governors induction and training.

The Headteacher is the Accounting Officer as required by the Funding Agreement with the Department for Education. The responsibilities of the Accounting Officer are defined in the Statement of Internal Control on page 12.

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Governors' Report

For the period ended 31 August 2013

Risk Management

The Governors are responsible for the management of risks to which the Academy Trust is exposed, and have undertaken a review of risks associated with its activities. The key controls used by the Academy Trust include

- Formal agendas for Governors' meeting
- Detailed terms of reference for all committees
- A clear Development Plan identifying key strategic planning objectives and the resources required to achieve them
- Comprehensive budget planning, monitoring and review
- Clear financial delegation levels
- Formal written policies reviewed on a regular basis
- Clear safeguarding and vetting procedures as required by law to protect children and young people
- Rigorous review of educational achievement to ensure continuing high standards
- Comprehensive planning and review of admissions processes
- A clear succession planning policy

The Board of Governors have reviewed the major risks, focusing on operational, financial, governance, compliance and reputational risk, and have taken steps to mitigate likely risks and to ensure regular monitoring of the primary areas of potential risk. The school, its governors and the auditors work in tandem to produce our annual risk management register.

Connected Organisations including Related Party Relationships

The Sweyne Park School is a member of or subscribes to wider networks of school that include, close links with Specialist Schools and Academies Trust, Leading Edge, Rayleigh Teaching School Alliance, Rochford District Trust (LDG) and Castle Point & Rochford Heads' Association.

Objects and Aims

The Academy Trust's object is specifically restricted to the advancement, for the public benefit, of education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum to ensure the highest possible educational standards.

The principal aim of the Academy Trust aims is to provide high quality learning that helps all students to fulfil their intellectual potential and become good citizens and emotionally well-balanced young people.

Further aims are set out in our school development plan, the key priorities being set out on our school website.

The principal activity of the Academy 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 offering a broad and balanced curriculum to ensure the highest possible educational standards. To promote for the benefit of the inhabitants of Rayleigh and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have needs of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the pupils at large in the interests of social welfare and with the object of improving the conditions of life of the said inhabitants.

Objectives, Strategies and Activities

Key influences on the Academy Trust's Development Plan for the period under review were the significant challenges and opportunities arising from national changes in education policy and funding, including the conversion to academy status and plans to open a Sixth Form in 2014. This is in addition to the Achievement, Teaching and learning, Leadership, Spiritual, moral, social and cultural, and Behaviour and safety priorities as identified via the school's Self-Evaluation Form.

Key activities and targets are set out in our school development plan, which is available on request, and the key priorities are set out on our website.

THE SWEYNE PARK SCHOOL (A Company Limited by Guarantee)

Governors' Report

For the period ended 31 August 2013

Public Benefit

The charitable company's aims are set out in this report. The governors have complied with their duty under section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission and the governors have paid due regard to this guidance in deciding what activities the charitable company should undertake.

The Governors have given consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

The Academy Trust provides education to children and young people that is

- balanced and broadly based
- promotes the spiritual, moral, cultural, mental and physical development of students at the school and society
- prepares students at the school for the opportunities, responsibilities and experiences of later life
- promotes, sustains and increases individual and collective knowledge and understanding of specific areas of study, skills and expertise

The Academy Trust is a Comprehensive school for Rayleigh and its surroundings. It is subject to the current statutory arrangements as laid down in the national Admissions Code. Current arrangements for entry to the school are available in the section of the school website dealing with admission arrangements.

Achievements and Performance

- * Granted permission to open a Sixth Form on the school site from September 2014
- * Achieved the following accreditations
 - Thinking School status (Exeter University)
 - Artsmark Gold Award
 - Leading Parent Partnership Award
 - Investors in People Gold Award
- * GCSE results for 2013 indicate the school's existing high standards continued to be maintained during the academy conversion process
 - % 5 A*-C inc En/Ma = 63
 - % E-Bacc = 31
 - % 5 A*-G = 99
- * Attendance rates were the highest ever = 94.9%
- * NET rate is the school's lowest ever = 2%

Going concern

After making appropriate enquiries, the board of governors has a reasonable expectation that the academy trust 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 statement. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Key Financial Performance Indicators

We have submitted best value statement and completed a budget forecast consolidation exercise. Staff turnover remains well below 10% and staff attendance was over 98% in 2012/13.

Financial Review

The Academy has had a good first trading period. There were many unknown factors with regard to funding streams that required the cash flow and other balances to be well managed. This was achieved with the diligence of the Finance team. The year has ended with a surplus that will be moved into reserves. Reserves will be required to assist with the planning for the new 6th form that will open in September 2014. The governing body and in particular the Finance committee worked closely with the Academy accountants to ensure that close monitoring took place during the first accounting period. There were also a number of training sessions for Governors.

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Governors' Report

For the period ended 31 August 2013

Financial and Risk Management Objectives and Policies

The Sweyne Park School is working closely with its accountants and auditors during its first full year as an Academy. The school will establish detailed objectives and policies in this period. As an interim measure the school has adopted Essex County Council model policies. The Governing Body continually monitors cash flows to ensure the Sweyne Park School has sufficient funds available to meet as they fall due.

Principal Risks and Uncertainties

Governors have identified the following principal risk and uncertainties facing Sweyne Park School:

Financial Risk

Sweyne Park School is operating in a period of considerable financial uncertainty with regard to public funding. Financial planning is focused on maintaining the breadth and quality of future work in the context of diminishing budgets. Governors have also given due consideration to the risk associated with financial mismanagement and / or compliance failures.

Failures in Governance and /or Management

Governors continue to review and ensure that appropriate measures are in place to mitigate these tasks.

Reputational Risk

The continuing success of Sweyne Park School depends on maintaining the highest educational standards in order to continue to attract applicants in sufficient numbers. Governors are clearly focused on monitoring and reviewing the achievement and success of students.

Governors continue to give due consideration to other aspects of the school's activities where there could be a reputational risk, including discipline, safeguarding, Health and Safety etc., with policies reviewed regularly.

Safeguarding and Child Protection Risks

Governors continue to ensure that the highest standards are maintained in the selection and monitoring of staff and volunteers, the operation of child protection policies in school and in training and support, in order to protect the vulnerable young people in its care.

Significant changes in staff

Governors have put in place a clear succession planning policy, and continue to review and monitor arrangements for recruitment and the development of existing staff to minimise the risk resulting from major changes in key staff.

Reserves Policy

Sweyne Park School aims to carry forward a prudent level of resources from the General Annual Grant, the General Non-GAG Restricted Fund and the General Unrestricted Fund to cover the medium and long term needs for renewal and replacement, for major unforeseen contingencies and to contribute to major capital developments. The amount to be carried forward from the General Annual Grant is subject to the current restrictions operated by the Department of Education.

The pension reserve is in deficit due to the academy's share of the LGPS liabilities exceeding its share of the assets. Plans to eliminate the deficit are incorporated into the academy's plans by additional contributions over a twenty-five year period.

Investment Policy

The Academy has invested reserves only within a low risk environment of a commercial high street bank. Investments are done within year to mature before the end of the financial year. As the Academy evolves a more detailed policy on investment will need to be developed.

Plans for Future Periods

Any investment undertaken by The Sweyne Park School will be within a low risk environment. Any investment must not compromise any cash flow or short term financial demands. Any investments will be reported to the Finance Committee of the Governing body prior to being undertaken.

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Governors' Report

For the period ended 31 August 2013

Insofar 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 any relevant audit information and to establish that the auditor is aware of that information

Auditor

The independent auditor, MHA MacIntyre Hudson, are willing to continue in office and a resolution to appoint them will be proposed at the Annual General Meeting

Approved by order of the board of governors on 12 December 2013 and signed on its behalf by



Lynda Walker

Chair of Governors

THE SWEYNE PARK SCHOOL

(A Company Limited by Guarantee)

Governance Statement

For the period ended 31 August 2013

Scope of Responsibility

As governors we acknowledge we have overall responsibility for ensuring that Sweyne Park School has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The board of governors has delegated the day-to-day responsibility to the headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to in the funding agreement between Sweyne Park School and the Secretary of State for Education. They are also responsible for reporting to the board of governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The board of governors has formally met 3 times during the year. Attendance during the year at meetings of the board of governors was as follows:

Governors	Meetings attended	Out of a possible
Lynda Walker (Chair of Governors)	3	3
Phil Bridgen (Vice Chair)	3	3
Ian Smith (Chair of Finance)	2	3
Tina Carter	3	3
Jacqui Clements	3	3
Derek Few	3	3
Kay Burke	2	3
Julie Hunt	2	3
Lorraine Pope	0	3
Mike Culley	3	3
Mary Roper	3	3
John Staines	2	3
Wendy Williamson (Staff Governor)	2	3
Chris Hogg (Staff Governor)	3	3
Sue Shirley (Staff Governor)	1	3
Kyla Tosh	2	3
Andy Hodgkinson	3	3

Key challenges during the period were:

- Learning about the specific requirements of being an Academy and working under the new administrative regime
- Submitting the application to change the age range to 11-19 (6th Form)

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Governance Statement

For the period ended 31 August 2013

The Premises and Finance Committee is a sub-committee of the main board of trustees. Its purpose is to have the power to discuss and determine any financial matter concerning the school in line with the School Improvement Plan and within the approved annual budget.

Issues dealt with during the period were

- Premises Committee - oversight of cleaning and catering contracts, health and safety and premises development and maintenance
- Finance Committee, oversight of all accounts and compliance and completion of statutory returns

Attendance at meetings in the period was as follows

Governor	Meetings attended	Out of a possible
Lynda Walker (Chair of Trustees)	2	4
Phil Bridgen (Vice Chair)	2	4
Ian Smith (Chair of Finance)	4	4
Tina Carter	4	4
Derek Few	0	4
Mary Roper	2	4
John Staines	2	4
Chris Hogg (Staff Governor)	4	4
Andy Hodgkinson	4	4

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in Sweyne Park School for the period 13 February 2013 to 31 August 2013 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of governors has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of governors is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 13 February 2013 to 31 August 2013 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of governors.

The Risk and Control Framework

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

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

The board of governors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the trustees have appointed MHA MacIntyre Hudson, the external auditor, to perform additional checks.

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Governance Statement

For the period ended 31 August 2013

The auditor'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 auditor reports to the board of governors on the operation of the systems of control and on the discharge of the board of governors' financial responsibilities.

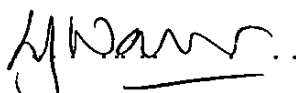
Review of Effectiveness

As accounting officer the headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by

- the work of the internal auditor,
- 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 premises committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of governors on 12 December 2013 and signed on its behalf by


Lynda Walker

Chair of Governors


Andy Hodgkinson

Accounting Officer

**THE SWEYNE PARK SCHOOL
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Statement on Regularity, Propriety and Compliance

For the period ended 31 August 2013

As accounting officer of Sweyne Park School I have considered my responsibility to notify the Governors 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 Governors 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.



Andy Hodgkinson

Accounting Officer

THE SWEYNE PARK SCHOOL

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Statement of Governors' Responsibilities

For the period ended 31 August 2013

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

Company law requires the 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 charitable 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

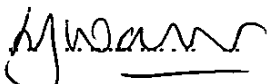
- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material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

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

The Governors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the EFA/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 charitable 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 board of Governors on 12 December 2013 and signed on its behalf by



Lynda Walker

Chair of Governors

THE SWEYNE PARK SCHOOL

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Independent Auditor's Report to the members of The Sweyne Park School

For the period ended 31 August 2013

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

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

Respective responsibilities of governors and auditors

As explained more fully in the Statement of Governors' Responsibilities, the governors (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the academy trust's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the governors, and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Governors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently incorrect based on or materially inconsistent with the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2013, and of its incoming resources and application of resources, including its income and expenditure, for the year 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 Academies Accounts Direction 2013 issued by the Education Funding Agency.

Opinion on other matter prescribed by the Companies Act 2006

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

**THE SWEYNE PARK SCHOOL
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Independent Auditor's Report to the members of The Sweyne Park School

For the period ended 31 August 2013

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
- 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



James Gare ACA DChA (Senior Statutory Auditor)

For and on behalf of

MHA MacIntyre Hudson

Chartered Accountants & Statutory Auditors

Boundary House
4 County Place
Chelmsford
Essex
CM2 0RE

19/12/13 . .

THE SWEYNE PARK SCHOOL

(A Company Limited by Guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to The Swayne Park School and the Education Funding Agency

For the period ended 31 August 2013

In accordance with the terms of our engagement letter dated 1 February 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Swayne Park School during the period 13 February 2013 to 31 August 2013 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them

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

Respective responsibilities of Swayne Park School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Swayne Park School's funding agreement with the Secretary of State for Education dated 27 March 2013 and the Academies Financial Handbook, extant from 1 September 2012, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2013. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 13 February 2013 to 31 August 2013 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them

Approach

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

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

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

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

The work undertaken to draw our conclusions includes

- reviewing the Minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity
- a review of the objectives and activities of the academy, with reference to the income streams and other information available to us as auditors of the academy
- testing of a sample of payroll payments to staff
- testing of a sample of payments to suppliers and other third parties
- testing of a sample of grants received and other income streams
- reviewing the information in the Financial Management and Governance Self-assessment (FMGS) return and making appropriate enquiries of the Accounting Officer

**THE SWEYNE PARK SCHOOL
(A Company Limited by Guarantee)**

Independent Reporting Accountant's Assurance Report on Regularity to The Sweyne Park School and the Education Funding Agency

For the period ended 31 August 2013

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 13 February 2013 to 31 August 2013 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them



MHA MacIntyre Hudson
Chartered Accountants & Statutory Auditors

Boundary House
4 County Place
Chelmsford
Essex
CM2 0RE

19 December 2013

THE SWEYNE PARK SCHOOL
(A Company Limited by Guarantee)

Statement of Financial Activities (Incorporating the Income and Expenditure Account and Statement of Total Realised Gains and Losses)

For the period ended 31 August 2013

		Unrestricted Funds 13 February to 31 August 2013 £	Restricted Pension Funds 13 February to 31 August 2013 £	Restricted General Funds 13 February to 31 August 2013 £	Restricted Fixed Asset Funds 13 February to 31 August 2013 £	Total Funds 13 February to 31 August 2013 £
	Note					
INCOMING RESOURCES						
Incoming resources from generated funds						
Voluntary income	2	34,978	-	-	-	34,978
Transfer from local authority on conversion	23	-	-	382,303	9,935,403	10,317,706
Activities for generating funds	3	38,342	-	-	-	38,342
Bank interest receivable		225	-	-	-	225
Incoming resources from charitable activities						
Funding for the Academy's educational operations	4	-	-	2,848,113	25,094	2,873,207
Other incoming resources from educational operations	5	-	-	86,018	-	86,018
TOTAL INCOMING RESOURCES		73,545	-	3,316,434	9,960,497	13,350,476
RESOURCES EXPENDED						
Charitable activities						
Academy's educational operations	7	29,225	14,000	2,896,992	90,639	3,030,856
Governance costs	8	-	-	10,000	-	10,000
Other resources expended						
Transfer from local authority on conversion	23	-	1,434,000	-	-	1,434,000
TOTAL RESOURCES EXPENDED		29,225	1,448,000	2,906,992	90,639	4,474,856
Net incoming / (outgoing) resources before transfers		44,320	(1,448,000)	409,442	9,869,858	8,875,620
Gross transfers between funds	15	-	-	(34,999)	34,999	-
Net income / (expenditure) for the year		44,320	(1,448,000)	374,443	9,904,857	8,875,620
OTHER RECOGNISED GAINS AND LOSSES						
Actuarial gains / (losses) on defined benefit pension schemes	15	-	(145,000)	-	-	(145,000)
NET MOVEMENT IN FUNDS		44,320	(1,593,000)	374,443	9,904,857	8,730,620
RECONCILIATION OF FUNDS						
Total funds carried forward at 31 August 2013		44,320	(1,593,000)	374,443	9,904,857	8,730,620

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

THE SWEYNE PARK SCHOOL
(A Company Limited by Guarantee)

Balance Sheet

As at 31 August 2013

	Notes	£	2013 £
FIXED ASSETS			
Tangible fixed assets	12	9,894,983	9,894,983
CURRENT ASSETS			
Debtors	13	55,519	
Cash at bank and in hand		632,907	
		688,426	
CURRENT LIABILITIES			
Creditors: Amounts falling due within one year	14	(259,789)	
NET CURRENT ASSETS			428,637
TOTAL ASSETS LESS CURRENT LIABILITIES/NET ASSETS EXCLUDING PENSION LIABILITY			10,323,620
Pension scheme liability	22	(1,593,000)	
NET ASSETS INCLUDING PENSION LIABILITY			8,730,620
FUNDS OF THE ACADEMY			
RESTRICTED FUNDS			
Fixed asset fund(s)	15	9,894,983	
General fund(s)	15	384,317	
Pension reserves	15	(1,593,000)	
TOTAL RESTRICTED FUNDS			8,686,300
UNRESTRICTED FUNDS			
General fund(s)	15	44,320	44,320
			8,730,620

The financial statements on pages 18 to 35 were approved and authorised for issue by the governors on 12 December 2013 and are signed on their behalf by



Lynda Walker

Chair of Governors

Company registration number 08401607

THE SWEYNE PARK SCHOOL
(A Company Limited by Guarantee)

Cash Flow Statement

For the period ended 31 August 2013

	Note	13 February to 31 August 2013 £
Net cash inflow / (outflow) from operating activities	17	240,505
Net cash inflow / (outflow) from returns on investment and servicing of finance	18	225
Net cash inflow / (outflow) from capital expenditure	19	9,874
Increase / (decrease) in cash for the period		<u>250,604</u>
Reconciliation of net cash flow to movement in net funds		
Cash transferred on conversion to an academy trust		382,303
Increase / (decrease) in cash for the period		250,604
Net funds at 31 August 2013		<u>632,907</u>

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

THE SWEYNE PARK SCHOOL (A Company Limited by Guarantee)

Notes to the Financial Statements

For the period ended 31 August 2013

1 Statement of 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 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.

Conversion to an academy trust

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

The assets and liabilities transferred on conversion from Sweyne Park School to an academy trust have been valued at their depreciated replacement cost value being a reasonable estimate of the current market value that the governors would expect to pay in an open market for an equivalent item. Their depreciated market cost value is in accordance with the accounting policies set out for Sweyne Park School. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income as net income in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in Note 23.

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 trust 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.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

Donations

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

Other income

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

Donated Services and Gifts in Kind

The value of donated services and gifts in kind provided to the academy trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with academy trust's policies.

THE SWEYNE PARK SCHOOL

(A Company Limited by Guarantee)

Notes to the Financial Statements

For the period ended 31 August 2013

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 trust's educational operations.

Governance Costs

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

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

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

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

Leasehold buildings	50 years
Leasehold improvements	14 years
Furniture and equipment	5-125 years
Computer equipment	5 years
Motor vehicles	5-10 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.

Taxation

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

THE SWEYNE PARK SCHOOL

(A Company Limited by Guarantee)

Notes to the Financial Statements

For the period ended 31 August 2013

Pensions

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 22, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

THE SWEYNE PARK SCHOOL
(A Company Limited by Guarantee)

Notes to the Financial Statements

For the period ended 31 August 2013

2 Voluntary Income

	Unrestricted Funds	Restricted Pension Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total
	13 February to 31 August 2013	13 February to 31 August 2013	13 February to 31 August 2013	13 February to 31 August 2013	13 February to 31 August 2013
	£	£	£	£	£
Other donations	34,978	-	-	-	34,978
	34,978	-	-	-	34,978

3 Activities for Generating Funds

	Unrestricted Funds	Restricted Pension Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total
	13 February to 31 August 2013	13 February to 31 August 2013	13 February to 31 August 2013	13 February to 31 August 2013	13 February to 31 August 2013
	£	£	£	£	£
Hire of facilities	35,354	-	-	-	35,354
Rental income	2,893	-	-	-	2,893
Other income from activities	95	-	-	-	95
	38,342	-	-	-	38,342

4 Funding for Academy Trust's Educational Operations

	Unrestricted Funds	Restricted Pension Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total
	13 February to 31 August 2013	13 February to 31 August 2013	13 February to 31 August 2013	13 February to 31 August 2013	13 February to 31 August 2013
	£	£	£	£	£
DfE / EFA revenue grants					
General Annual Grant (GAG)	-	-	2,535,720	-	2,535,720
SEN funding	-	-	243,768	-	243,768
Pupil Premium	-	-	68,625	-	68,625
	-	-	2,848,113	-	2,848,113
DfE / EFA capital grants					
DfE / EFA capital grants	-	-	-	25,094	25,094
	-	-	-	25,094	25,094
	-	-	2,848,113	25,094	2,873,207

THE SWEYNE PARK SCHOOL
(A Company Limited by Guarantee)

Notes to the Financial Statements

For the period ended 31 August 2013

5 Other Incoming Resources from Educational Operations

	Unrestricted Funds	Restricted Pension Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total
	13 February to 31 August 2013	13 February to 31 August 2013	13 February to 31 August 2013	13 February to 31 August 2013	13 February to 31 August 2013
	£	£	£	£	£
Contributions towards school trips	-	-	61,578	-	61,578
Contributions towards clubs and educational activities	-	-	24,440	-	24,440
	-	-	86,018	-	86,018

6 Resources expended

	Staff Costs	Premises Costs	Other Costs	Total
	13 February to 31 August 2013	13 February to 31 August 2013	13 February to 31 August 2013	13 February to 31 August 2013
	£	£	£	£
Academy's educational operations				
Direct costs	2,145,499	87,670	280,783	2,513,952
Allocated support costs	231,564	196,334	89,006	516,904
	2,377,063	284,004	369,789	3,030,856
Governance costs including allocated support costs	-	-	10,000	10,000
	2,377,063	284,004	379,789	3,040,856

(Incoming) / outgoing resources for the year include

	2013 £
Depreciation	90,639
Fees payable to auditors	
Audit	10,000

THE SWEYNE PARK SCHOOL
(A Company Limited by Guarantee)

Notes to the Financial Statements

For the period ended 31 August 2013

7 Charitable Activities - Academy's Educational Operations

	Unrestricted Funds	Restricted Pension Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total
	13 February to 31 August 2013	13 February to 31 August 2013	13 February to 31 August 2013	13 February to 31 August 2013	13 February to 31 August 2013
	£	£	£	£	£
Direct costs					
Teaching and educational support staff costs	-	-	2,145,499	-	2,145,499
Depreciation	-	-	-	87,670	87,670
Educational supplies	-	-	74,243	-	74,243
Educational visits	-	-	70,670	-	70,670
Examination fees	-	-	7,211	-	7,211
Special facilities	-	-	4,200	-	4,200
Staff development and training	-	-	11,985	-	11,985
Technology costs	-	-	88,122	-	88,122
Educational consultancy	-	-	21,831	-	21,831
Travel and subsistence	-	-	897	-	897
Other direct costs	-	-	1,624	-	1,624
	-	-	2,426,282	87,670	2,513,952
Allocated support costs					
Support staff costs	-	12,000	219,564	-	231,564
Depreciation	-	-	-	2,969	2,969
Maintenance of premises and equipment	-	-	62,868	-	62,868
Cleaning	-	-	65,183	-	65,183
Rent and rates	-	-	7,510	-	7,510
Energy	-	-	50,138	-	50,138
Water and sewerage	-	-	13,480	-	13,480
Insurance	-	-	20,928	-	20,928
Security and transport	-	-	807	-	807
Catering	-	-	19,110	-	19,110
Bank interest and charges	-	2,000	-	-	2,000
Travel and subsistence	-	-	1,164	-	1,164
Other support costs	29,225	-	9,958	-	39,183
	29,225	14,000	470,710	2,969	516,904
	29,225	14,000	2,896,992	90,639	3,030,856

8 Governance Costs

	Unrestricted Funds	Restricted Pension Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total
	13 February to 31 August 2013	13 February to 31 August 2013	13 February to 31 August 2013	13 February to 31 August 2013	13 February to 31 August 2013
	£	£	£	£	£
Fees payable to auditors					
Audit	-	-	10,000	-	10,000
	-	-	10,000	-	10,000

THE SWEYNE PARK SCHOOL

(A Company Limited by Guarantee)

Notes to the Financial Statements

For the period ended 31 August 2013

9 Staff Costs

	2013 £
Wages and salaries	1,948,860
Social security costs	144,963
Pension costs	283,942
	<u>2,377,765</u>
Less recoveries of staff costs	(702)
	<u><u>2,377,063</u></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

	2013 No
Charitable Activities	
Teachers	99
Administration and support	52
Management	8
	<u><u>159</u></u>

The number of employees whose emoluments fell within the following bands in regards to their annual salary was

	2013 No
£70,001 - £80,000	1
£80,001 - £90,000	1
	<u><u>2</u></u>

All of the above employees participated in the Teachers' Pension Scheme. During the period ended 31 August 2013, pension contributions for these staff amounted to £22,489.

10 Related Party Transactions - Trustees' Remuneration & Expenses

The principal and other staff governors only receive remuneration in respect of services they provide undertaking the roles of principal and staff, and not in respect of their services as governors. Other governors did not receive any payments, other than expenses, from the academy trust in respect of their role as governors. The value of governors' remuneration (including employers pension contributions) was as follows

	2013 £
A Hodgkinson (Principal and Governor)	36,875
C Hogg (Staff Governor)	10,000 - 15,000
S Shirley (Staff Governor)	15,000 - 20,000
W Williamson (Staff Governor)	5,000 - 10,000

During the period ended 31 August 2013, no travel and subsistence expenses were reimbursed to governors.

Other related party transactions involving the trustees are set out in Note 24.

11 Trustees' and Officers' Insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31 August 2013 amounted to £1,866.

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

THE SWEYNE PARK SCHOOL

(A Company Limited by Guarantee)

Notes to the Financial Statements

For the period ended 31 August 2013

12 Tangible Fixed Assets

	Leasehold Land, Buildings & Improvements £	Furniture and Equipment £	Computer Equipment £	Motor Vehicles £	Total 2013 £
Cost					
Additions	-	1,697	13,523	-	15,220
Transferred in from local authority on conversion	9,925,000	21,942	13,060	10,400	9,970,402
At 31 August 2013	9,925,000	23,639	26,583	10,400	9,985,622
Depreciation					
Charged in the year	84,416	2,096	2,969	1,158	90,639
At 31 August 2013	84,416	2,096	2,969	1,158	90,639
Net book values					
At 31 August 2013	9,840,584	21,543	23,614	9,242	9,894,983

The EFA provide free desktop valuations of converting schools. Because the school converted after 1 April this valuation is not yet available. A estimate of the depreciated historic cost is included in the accounts based on an insurance valuation. The leasehold property is held under a 125 year lease from Essex County Council and started on 1 April 2013.

13 Debtors

	2013 £
Amounts due within one year	
Trade debtors	42,061
VAT recoverable	13,458
	55,519

14 Creditors Amounts Falling due within one Year

	2013 £
Accruals and deferred income	24,110
Taxation and social security	107,818
Pension control account	81,253
Other creditors	46,608
	259,789
Deferred income	
Resources deferred in the year	14,110
Deferred Income at 31 August 2013	14,110

At the balance sheet date the academy trust was holding funds received in advance of the 13/14 financial year in respect of grants received for the forthcoming year.

THE SWEYNE PARK SCHOOL
(A Company Limited by Guarantee)

Notes to the Financial Statements

For the period ended 31 August 2013

15 Funds

	Balance at 13 Feb 2013 £	Incoming Resources £	Resources Expended £	Transfers £	Other recognised gains and losses £	Balance at 31 Aug 13 £
Restricted general funds						
General Annual Grant (GAG)	-	2,535,720	(2,548,816)	13,096	-	-
SEN funding	-	243,768	(243,768)	-	-	-
Pupil Premium	-	68,625	(68,625)	-	-	-
Restricted funds introduced on conversion	-	382,303	-	(38,221)	-	344,082
Other activities	-	86,018	(45,783)	-	-	40,235
	-	3,316,434	(2,906,992)	(25,125)	-	384,317
Restricted pension funds						
Pension reserve	-	-	(1,448,000)	-	(145,000)	(1,593,000)
	-	-	(1,448,000)	-	(145,000)	(1,593,000)
Restricted fixed asset funds						
Fixed assets introduced on conversion	-	9,935,403	(109,431)	(9,825,972)	-	-
DfE / EFA capital grants	-	25,094	-	(25,094)	-	-
NBV of fixed assets	-	-	-	9,894,983	-	9,894,983
	-	9,960,497	(109,431)	43,917	-	9,894,983
Total restricted funds	-	13,276,931	(4,464,423)	18,792	(145,000)	8,686,300
Unrestricted funds						
Unrestricted funds	-	73,545	(29,225)	-	-	44,320
Total unrestricted funds	-	73,545	(29,225)	-	-	44,320
Total funds	-	13,350,476	(4,493,648)	18,792	(145,000)	8,730,620

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

Restricted general funds

These grants relate to the Academy's development and operational activities

Restricted pension funds

These funds represent the LGPS obligation to the employees of the academy Trust

Restricted fixed asset fund

These grants relate to capital funding to carry out works of a capital nature

Unrestricted reserve

These funds relate to unrestricted income to be used to support the academy's objectives and educational activities

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2013

THE SWEYNE PARK SCHOOL
(A Company Limited by Guarantee)

Notes to the Financial Statements

For the period ended 31 August 2013

16 Analysis of Net Assets between Funds

Fund balances at 31 August 2013 are represented by

	Unrestricted Funds 2013 £	Restricted Pension Funds 2013 £	Restricted General Funds 2013 £	Restricted Fixed Asset Funds 2013 £	Total Funds 2013 £
Tangible fixed assets	-	-	-	9,894,983	9,894,983
Current assets	13,985	-	674,441	-	688,426
Current liabilities	-	-	(259,789)	-	(259,789)
Pension scheme liability	-	(1,593,000)	-	-	(1,593,000)
	13,985	(1,593,000)	414,652	9,894,983	8,730,620

17 Reconciliation of net incoming resources before transfers to net cash inflow from operating activities

	2013 £
Net income	8,875,620
Fixed assets transferred on conversion	(9,935,403)
Current assets transferred on conversion	(425,302)
Pension liability transferred on conversion	1,434,000
Depreciation	90,639
Capital grants from DfE and other capital income	(25,094)
Interest receivable	(225)
FRS 17 pension cost less contributions payable (Note 22)	48,000
FRS 17 pension finance income (Note 22)	(26,000)
(Increase) / decrease in debtors	(55,519)
Increase / (decrease) in creditors	259,789
Net Cash Inflow from Operating Activities	240,505

18 Returns on Investments and Servicing of Finance

	2013 £
Interest receivable	225
Net Cash Inflow from Returns on Investments and Servicing of Finance	225

19 Capital Expenditure and Financial Investment

	2013 £
Purchase of tangible fixed assets	(15,220)
Capital grants from DfE / EFA	25,094
Net Cash Inflow from Capital Expenditure and Financial Investment	9,874

20 Analysis of Changes in Net Funds

	Balance at 01 Sep 12 £	Cash flows £	Balance at 31 Aug 13 £
Cash in hand and at bank	-	250,604	632,907
	-	250,604	632,907

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For the period ended 31 August 2013

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

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 Essex County Council Both are defined-benefit schemes

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

Contributions amounting to £81,253 were payable to the schemes at 31 August and are included within creditors

As described in Note 23 the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the period The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme ("TPS") is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations 2010 These regulations apply to teachers in schools that are maintained by local authorities and other educational establishments, including academies, in England and Wales In addition teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract Teachers and lecturers are able to opt out of the TPS

The Teacher's Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and are paid by public funds provided by Parliament The TPS is an unfunded scheme and members contribute on a "pay-as-you-go" basis - these contributions along with those made by employers are credited to the Exchequer under arrangements governed by the above Act

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases) From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return

Valuation of the Teachers Pension Scheme

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

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The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004. The Government Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at that valuation date) was £163,240 million. The assumed real rate of return was 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth was assumed to be 1.5%. The assumed gross rate of return was 6.5%. From 1 January 2007, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, the design of benefits and many other factors. Many of these assumptions are being considered as part of the work on the reformed TPS, as set out below. Scheme valuations therefore remain suspended. The Public Service Pensions Bill, which is being debated in the House of Commons, provides for future scheme valuations to be conducted in accordance with Treasury directions. The timing for the next valuation has still to be determined, but it is likely to be before the reformed schemes are introduced in 2015.

Teachers' Pension Scheme Changes

Lord Hutton published his final report in March 2011 and made recommendations about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation and Ministers engaged in extensive discussions with trade unions and other representative bodies on reform of the TPS. Those discussions concluded on 9 March 2012 and the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

The key provisions of the reformed scheme include a pension based on career average earnings, an accrual rate of 1/57th, and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Importantly, pension benefits built up before 1 April 2015 will be fully protected.

In addition, the Proposed Final Agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age in which they can retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall just outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases were to be phased in from April 2012 on a 40/80/100% basis.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy 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.

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 2013 was £54,314, of which employer's contributions totalled £36,477 and employees' contributions totalled £17,837. The agreed contribution rates for future years are 18.0% for employers and employees' contributions are dependent on the level of their full-time equivalent salary ranging from 5.5% to 12.0%.

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

The Academy has entered into agreement to make additional contributions to reduce the deficit on the pension scheme. The deficit recovery contributions has been calculated at £57,550 p.a. from 1 April 2013 over a period of 25 years.

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Notes to the Financial Statements

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Rate of increase in salaries	4.70%
Rate of increase for pensions in payment / inflation	2.90%
Discount rate for scheme liabilities	4.70%
Inflation assumption (CPI)	2.90%
Inflation assumption (RPI)	3.70%

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

	At 31 August 2013
<i>Retiring today</i>	
Males	22.7
Females	25.3
<i>Retiring in 20 years</i>	
Males	24.2
Females	26.9

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

	Expected return at 31 August 2013	Fair value at 31 August 2013
	%	£
Equities	6.60%	489,000
Other bonds	4.40%	68,000
Property	5.60%	83,000
Gilts	3.50%	60,000
Cash	0.50%	23,000
Other	4.40%	30,000
Total market value of assets		753,000
Present value of scheme liabilities		
Funded		(2,346,000)
Surplus / (deficit) in the scheme		<u>(1,593,000)</u>

The actual return on scheme assets was £42,000

Amounts recognised in the Statement of Financial Activities

	2013
	£
Current service cost (net of employee contribution)	48,000
Total operating charge	<u>48,000</u>

Analysis of pension finance income / (costs)

Expected return on pension scheme assets	15,000
Interest on pension liabilities	(41,000)
Pension finance income / (costs)	<u>(26,000)</u>

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 £145,000 loss.

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Notes to the Financial Statements

For the period ended 31 August 2013

Movements in the present value of defined benefit obligations were as follows	2013
	£
Transfer in on conversion	2,066,000
Current service cost	48,000
Interest cost	41,000
Actuarial (gain) / loss	173,000
Employee contributions	18,000
Closing present value of scheme obligations at 31 August 2013	<u>2,346,000</u>

Movements in the fair value of academy's share of scheme assets	2013
	£
Transfer in on conversion	632,000
Expected return on scheme assets	15,000
Actuarial gain / (loss)	28,000
Employer contributions	60,000
Employee contributions	18,000
Closing fair value of scheme assets at 31 August 2013	<u>753,000</u>

The estimated value of employer contributions for the year ended 31 August 2014 is £296,000

Reconciliation of opening to closing deficit / (surplus)	2013
	£
Opening balance at 13 February 2013	1,434,000
Current service cost	48,000
Employer contributions	(60,000)
Other finance income	26,000
Actuarial loss/(gain)	145,000
Closing balance at 31 August 2013	<u>1,593,000</u>

The five-year history of experience adjustments is as follows

	2013
	£
Present value of defined benefit obligations	(2,346,000)
Fair value of share of scheme assets	753,000
Deficit in the scheme	<u>(1,593,000)</u>
Experience adjustments on share of scheme assets	
Amount £	<u>28,000</u>
Experience adjustments on share of scheme liabilities	
Amount £	<u>173,000</u>

23 Conversion to an Academy Trust

On 1 April 2013 Swayne Park School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Swayne Park School from Essex County Council Local Authority for £nil consideration

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as incoming resources and resources expended in the Statement of Financial Activities

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The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA

	Unrestricted Funds 2013 £	Restricted Pension Funds 2013 £	Restricted General Funds 2013 £	Restricted Fixed Asset Funds 2013 £	Total Funds 2013 £
Fixed assets					
Tangible fixed assets	-	-	-	9,935,403	9,935,403
Current assets					
Cash at bank and in hand	-	-	382,303	-	382,303
Total assets	-	-	382,303	9,935,403	10,317,706
Trading liabilities					
Total assets less trading liabilities	-	-	382,303	9,935,403	10,317,706
Other balances					
Pensions scheme surplus / (deficit)	-	(1,434,000)	-	-	(1,434,000)
Identifiable net assets / (liabilities)	-	1,434,000	382,303	9,935,403	11,751,706

The above net assets include £382,303 that were transferred as cash

24 Related Party Transactions

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

No transactions with related parties were undertaken such as are required to be disclosed under the Charity Commission Statement of Recommended Practice Accounting and Reporting by Charities SORP 2005 the Academies Accounts Direction 2013 issued by the EFA and the Companies Act 2006.

25 Ultimate controlling party

There is no ultimate controlling party.

26 Company limited by guarantee

The academy trust is a company limited by guarantee and does not have share capital.