

**WOODBROOK VALE SCHOOL**  
**(A Company Limited by Guarantee)**

**ANNUAL REPORT & FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2014**

**Registered Number 07671486 (England and Wales)**

**WOODBROOK VALE SCHOOL**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 AUGUST 2014**

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**WOODBROOK VALE SCHOOL**  
**REFERENCE & ADMINISTRATIVE DETAILS**  
**YEAR ENDED 31 AUGUST 2014**

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<b>Members</b>	Mr A J Gostelow* (Chair) Mr J R Catt* Dr C J Hamilton* Mr J Poland* (resigned 12 September 2013) Mrs E K Rousham* Mrs J C Kavanagh* (appointed 10 December 2013)
<b>Trustees</b>	Dr T N Birkinshaw Mr G C Brown* Mr S Ghent (resigned 12 September 2013) Cllr W R Sharp* Mr P M Holloway Mr N I Grice* (Staff Trustee) Mr M S Grove (Staff Trustee) Mr I R Smith* (Staff Trustee) Mr G M Peat (Headteacher and Accounting Officer) Mr D Holmes (appointed 10 December 2013) Mrs N Morton (appointed 6 March 2014) Mr G Payne (appointed 6 March 2014) Mr A Shepherd (appointed 6 March 2014) Miss S Tosar (resigned 21 October 2013) *Members of the Staffing, Finance & Buildings Committee
<b>Company Secretary</b>	Mr D Green
<b>Senior Management Team:</b> Headteacher Deputy Headteacher Assistant Headteacher Assistant Headteacher Business Manager	Mr G Peat Mrs A Vann Mrs S Anderson Mr C Rowlett Mr D Green
<b>Principal and Registered Office</b>	Woodbrook Vale School Grasmere Road Loughborough Leicestershire, LE11 2ST
<b>Company Registration Number</b>	7671486 (England and Wales)
<b>Independent Auditor</b>	Baker Tilly UK Audit LLP Suite A, 7th Floor City Gate East Toll House Hill Nottingham, NG1 5FS
<b>Bankers</b>	NatWest Loughborough Leicestershire, LE11 3NZ
<b>Solicitors</b>	Michelmores 48 Chancery Lane London WC2A 1JF

## WOODBROOK VALE SCHOOL

### TRUSTEES' REPORT

YEAR ENDED 31 AUGUST 2014

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The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2014.

The Trust operates an Academy for pupils aged 11 to 16 serving a catchment area in Loughborough. It has 742 students in the October 2014 school census.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### **Constitution**

The Academy Trust is a company limited by guarantee (registration number 7671486) and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy trust.

The Trustees and Governors for the charitable activities of Woodbrook Vale School are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Woodbrook Vale School.

Details of the Trustees and Governors who served during the period are included in the Reference and Administrative Details on page 1.

##### Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one period 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

Trustees benefit from any indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees and Governors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees and Governors knew to be a breach of trust or breach of duty or which was committed by the Trustees and Governors, in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees and Governors in their capacity as directors of the Academy Trust.

##### **Method of recruitment and appointment or election of trustees and governors**

The Trustees shall not be less than three but (unless otherwise determined by original resolution) shall not be subject to any maximum.

Subject to Articles 48-49 and 64, the Academy Trust shall have the following composition

- a) Up to eight Governors (including the members), appointed under Article 50.
- b) Up to three Staff Governors, appointed under Article 50a;
- c) Three Parent Governors appointed under Articles 53-58;
- d) The Headteacher;
- e) Up to two additional Governors appointed pursuant to Article 51; and
- f) Any additional/further Governors. If appointed under Article 62 62A 63 or 68A.

The Academy trust may also have any Co-opted Governors appointed under Article 59.

**WOODBROOK VALE SCHOOL**  
**TRUSTEES' REPORT (CONTINUED)**  
**YEAR ENDED 31 AUGUST 2014**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

The term of office for any Trustee and Governor shall be 4 years. Subject to remaining eligible any Trustee and Governor may be reappointed or re-elected. No time constraints apply to the Head Teacher.

At the first Full Governing Body (FGB) meeting each year the Trustees and Governors elect a chairperson, vice –chairperson and members of the two other committees being Curriculum & Pupils Committee (C&P) and Staff, Finance and Buildings Committee (SF&B).

Policies and procedures adopted for the induction and training of trustees and governors

The FGB performs an annual skills audit of Trustees and Governors including new starters and should any gaps be identified training courses are offered to update Governor's skills.

The training and induction provided for each new Trustee and Governor will depend on their existing experience. The Academy Trust purchases support from the Governor Development Service (GDS) provided by Leicestershire County Council in the form of a Service Level Agreement (SLA). The SLA provides individual and FGB training through an annual course directory which is reviewed each year to reflect any changes in practice and legislation. Trustees and Governors receive a copy of the termly magazine 'School Governor'. Also included within the SLA is membership of the National Governors Association.

Organisational structure

The Academy Trust management structure consists of the Trustees and Governors, the Senior Leadership Team, the Heads of Year and the Heads of Department. The aim of the management structure is to devolve responsibility and encourage decision making at all levels.

The Board of Trustees continue to delegate powers down to the three committees made up of Trustees and Governors, who are responsible for the strategic development of the Academy. FGB is responsible for, amongst other things, adopting an annual School Improvement Plan and approving an annual budget. SF&B committee regularly monitors the Academy budget and receives management information in respect of income and expenditure for both revenue and capital projects. C&P monitors and reviews teaching, learning and pastoral matters across the school.

The Senior Leadership Team (SLT) comprises of the Headteacher, the Deputy Headteacher, two Assistant Headteachers and the School Business Manager. The SLT manage the Academy at an executive level implementing the policies laid down by the Trustees and Governors and report upon them.

There are 4 Heads of Year, 1 for each year intake. Heads of Year are responsible for pupil progress and pupil welfare on a day-to-day basis.

Heads of Department are responsible for the day to day operation of curriculum subject areas and organisation of their teaching staff, capitation resources, facilities and students.

All staff within the management structure receives delegated budgets and are responsible for the authorisation of spending within the agreed levels.

**Risk management**

The Trustees and Governors have responsibility to assess the major risks to which the Academy is exposed. The FGB has approved a risk register to formally identify the risks, financial and otherwise, to which the Academy is exposed. An effective system of internal controls is in place to minimise these risks. Where significant financial risk remains, adequate insurance cover is in place. A continuing systematic analysis of all other risks that could affect the Academy's ability to perform its strategic obligations is now underway and will feed in to Business Continuity planning.

**WOODBROOK VALE SCHOOL**  
**TRUSTEES' REPORT (CONTINUED)**  
**YEAR ENDED 31 AUGUST 2014**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

Connected organisations including related party relationships

Woodbrook Vale School is a single Academy, financially independent and does not work in federation with any other organisation. However, Woodbrook Vale School does work collaboratively with other local schools, universities, colleges and businesses to help raise achievement and gain best value.

**OBJECTIVES AND ACTIVITIES AND PUBLIC BENEFIT**

Objects and aims

Woodbrook Vale School is a place where each pupil is given the best education in a safe and caring environment, where every child is encouraged to succeed in his or her own way; where the curriculum is exciting and challenging; and where each pupil can learn unhindered by the disinterested or disaffected.

School Vision, Aims and Mission:

*Our vision statement of "Caring for Success" encapsulates the ethos of the school and is the cornerstone of everything we do. Our school is a learning community.*

We want everyone to:

- Have high expectations and a determination to achieve success in all aspects of learning;
- Value each person equally and celebrate the fact that everyone can achieve success;
- Become active and responsible citizens, participating in and benefiting from the life of the school and community;
- Be a highly motivated lifelong learner equipped for the modern world;
- Be actively involved in raising, recognising and celebrating their own achievements and those of others;
- Have a sense of personal and social responsibility within our diverse and multi-cultural society;
- Have high self esteem and respect for themselves and all others.

*Our Mission is to provide an excellent and enriching education for all learners.*

We seek to achieve this by:

- Focusing on learning and teaching as our prime activity;
- Taking an imaginative approach to a broad and balanced curriculum;
- Providing opportunities for enrichment in extended and extra-curricular activities through the widest possible range of experiences and opportunities for everybody;
- Expecting achievement which improves on previous best and adds value;
- Celebrating and valuing the achievements of all members of the school;
- Promoting equality of access, opportunity and entitlement;

*Woodbrook Vale School is for the whole range of pupils. We are, and want to be a truly comprehensive school that values all people equally but meets their needs individually.*

- Promoting collaboration and teamwork between all members of the school community including students, parents, staff, Trustees and Governors ;
- Caring for each student's personal, moral and spiritual development;
- Developing in each pupil the skills and motivation to take part in lifetime learning and to be active citizens in our rapidly changing society;
- Providing a supportive, disciplined and stimulating environment

**WOODBROOK VALE SCHOOL**  
**TRUSTEES' REPORT (*CONTINUED*)**  
**YEAR ENDED 31 AUGUST 2014**

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**OBJECTIVES AND ACTIVITIES (*continued*)**

The Academy has a rolling programme of self-evaluation and this is summarised in the Academy Self Evaluation Form. Action points from the evaluation are then developed in the School Development Plan.

Objectives, strategies and activities

- |         |   |
|---------|---|
| Goal 1: | Promote greater challenge & excitement in learning for all pupils   |
| Goal 2: | Develop the use of evaluation so that current best practice is consistent across all departments & teams                  |
| Goal 3: | Develop further the school community's understanding of its place in an unequal society & multi-cultural setting          |
| Goal 4: | Help parents to support their children's learning   |
| Goal 5: | Explore the most appropriate school institution that can support the highest possible standards in the prevailing climate |

Public benefit

The Trustees and Governors have complied with the duty in Section 4 of the Charities Act 2006, to have due regard to public benefit guidance published by the Charity Commission in exercising their powers or duties. In particular, the Trustees and Governors consider how planned activities will contribute to the aims and objectives they have set. The Academy has provided a fully comprehensive education to all pupils in its care. It fully complies with all statutory guidance and seeks to support its wider educational objectives via a strong community role.

**STRATEGIC REPORT**

**Achievements and Performance**

In 2013-14 Woodbrook Vale School achieved key stage 3 results well above the national average in English, Maths and Science. Almost all other subjects attained results that were in line with the core subjects.

Students at Woodbrook Vale sat the school's first GCSE examinations in 2013-14, a year early (in year 10).

All students sat a GCSE Statistics examination in June 2014. 82% of students achieved an A\* - C grade. 84% made 3 levels of progress and 39% 4 levels of progress, well above the national average.

95% of students entered for GCSE Science achieved A\*-C grades (48% A\* - A).

A small number of year 10 students also achieved a BTEC qualification in Science.

Predictions for 2014-15 indicate that achievement will be above national average figures across all key performance indicators.

Pupil Premium (disadvantaged) students achieved above the national average in English and Maths but there remains a gap in achievement between Pupil Premium and non-Pupil Premium students. This gap narrowed during 2013-14 and a Pupil Premium Strategy is in place to close the gap in-line with national figures during 2014-15.

Both girls and boys achieved above the national average in English and Maths, with girls performing slightly better than boys in-line with national figures.

**WOODBROOK VALE SCHOOL**  
**TRUSTEES' REPORT (CONTINUED)**  
**YEAR ENDED 31 AUGUST 2014**

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**STRATEGIC REPORT (continued)**

SEN students achieved above the national average and made progress close to the school average. The best progress was made by Statemented and School Action Plus students.

Students identified as 'more able' attained well above the school average. Their progress was significantly above the school average in Maths and Science.

**Financial review**

The majority of Woodbrook Vale School annual income is obtained from the Department for Education (DfE) via the Education Funding Agency (EFA) in the form of a General Annual Grant (GAG), the use of which is restricted for particular purposes. Such grants and all associated expenditure are shown as restricted funds in the statement of financial activities for the year ended 31 August 2014.

At 31 August 2014 the carry forward amounted to £431,000 (2013: £357,000).

The Academy's Finance Policy was annually approved by Governors on 7 October 2014. This document sets out key financial responsibilities in-line with the Academies Financial Handbook 2014. All expenditure of the Academy Trust is made in line with this Policy which supports the provision of Education of all pupils on roll.

Financial and risk management objectives and policies

The Academy manages its risks appropriately. We consider that risks such as the uncertainty over the LGPS deficit and future changes to GAG funding due to the introduction of a national funding formula will feature in the financial risk register as the main areas of concern.

Principal risks and uncertainties

The Academy Trust has undertaken a financial risk assessment based on potential key risks identified as:

- Not operating within its budget and running a deficit
- Changes in funding
- Inappropriate or insufficient financial controls and systems
- Fraudulent activity
- Financial commitments made without adequate authorisation

The key controls used by the Academy to reduce risk include:

- Detailed terms of reference for all committees
- Formal agendas for the Academy board and committees
- Formal agreement of Annual Budget
- Schemes of delegation and formal financial regulations
- Formal written policies
- Clear authorisation and approval levels
- Budget Monitoring and cash flow forecasting

Reserves policy

It is intended that the Trustees and Governors will continue to regularly monitor the reserve levels of the Academy as part of the monthly budget monitoring process. This review encompasses the nature of income and expenditure streams, and identifies the need to match income with existing commitments. The Academy continues to use its surplus balances by investing in the infrastructure of the school site, at the end of 2013/14 restricted reserves of £46,000 and unrestricted of £385,000 were held by the Academy.

Investment policy

Trustees and Governors have adopted an Investment Policy which is included in the Finance Policy. It allows for surplus funds to be invested in low risk short term deposits with high street banks.



**WOODBROOK VALE SCHOOL**  
**TRUSTEES' REPORT (CONTINUED)**  
**YEAR ENDED 31 AUGUST 2014**

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**STRATEGIC REPORT (continued)**

**Key Performance Indicators**

	<b>2013 - 14</b>
Total Staff Costs	2,379,000
Salary Costs to EFA Revenue Income	80.2%
Salary Costs to Total Income	70.4%
Salary Costs as % Total Expense	73.5%

**Plans for future periods**

Woodbrook Vale began the process of converting to an 11-16 Academy from September 2013 as Year 10 students entered the school for the first time. The Academy received additional funding for 136 year 10 students in 2013-14 and will receive and a further increase for 134 year 11 students in 2014-15.

During 2013-14 the Academy opened a new standalone six classroom block to accommodate our increase in students from September 2013. This increased the number of students on roll to over 620 during the 2013-14 academic year.

Once the projected numbers had been identified for 2014-15 showing a further increase to over 743 students, the Governors approved a further expansion project of two additional classrooms and a science laboratory. These were procured during the summer term 2014, funded out of the school reserves amounting to £295k.

The school also gained approval for a new Sports Hall from the Academies Capital Maintenance Fund (ACMF) 2014/15. This is due for completion in early summer 2015.

The Academy continues to show a balanced revenue budget for 2014-15 which has been approved by the Staff, Buildings and Finance Committee that reflects the further changes and projects a surplus balance in the region of £205,000 at 31 August 2015. This will be continually monitored and reported throughout the financial year.

Future planned capital projects include the expansion and remodelling of our existing dining hall to cater for our expanding student numbers.

Leicestershire County Council has recently confirmed that the projected Year 7 student number on roll for 2015/16 is again above Woodbrook Vale's Pupil Admission Number (PAN). The Senior Leadership Team and Governors are working through further increases in staffing and building requirements to ensure that the Academy is in the best position to match funding to the required resources for the 2014/15 Academic year.

**GOING CONCERN**

After making appropriate enquiries, the Board of Trustees 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 statements. Further details regarding the adoption of the going concern can be found in the Statement of Accounting Policies.

**WOODBROOK VALE SCHOOL**  
**TRUSTEES' REPORT (CONTINUED)**  
**YEAR ENDED 31 AUGUST 2014**

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**AUDITOR**

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

**Statement as to disclosure of information to auditors**

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

The Trustees' Annual Report is approved by order of the Board of Trustees and the Strategic Report (included therein) is approved by the Board of Trustees in their capacity as the directors at a meeting on 9 December 2014 and signed on its behalf by:

**Mr A Gostelow**  
**Chair**



**WOODBROOK VALE SCHOOL**  
**GOVERNANCE STATEMENT**  
**YEAR ENDED 31 AUGUST 2014**

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**Scope of responsibility**

As Trustees and Governors, we acknowledge we have overall responsibility for ensuring that Woodbrook Vale 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 Trustees 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 Woodbrook Vale School and the Secretary of State for Education. The Headteacher is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met four times during the year. Attendance at meetings during the year of the Full Board of Governors was as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Mr A Gostelow (Chair)	4	4
Mr J Catt	4	4
Dr C Hamilton	3	4
Mrs E Rousham	4	4
Mrs J Kavanagh	3	4
Dr T Birkinshaw	4	4
Mr G Brown	4	4
Mr P Holloway	2	4
Mr D Holmes	2	3
Mr N Grice	3	4
Mr M Grove	4	4
Mrs N Morton	1	2
Mr G Payne	2	2
Mr G Peat	4	4
Cllr R Sharp	3	4
Mr A Shepherd	2	2
Mr I Smith	3	4

**Governance review**

The Governing body has again in 2013/14 undertaken a Governors skills audit and attended training events through Leicestershire Governor Training Services. This has enabled Governors to support and challenge the Academy.

Members of the Governing body continue to be actively involved in reviews held in school including Safeguarding and all departments.

The 2014/15 School Improvement plan includes a formal review of Governance as part of the standard performance assessment.

**WOODBROOK VALE SCHOOL**  
**GOVERNANCE STATEMENT (CONTINUED)**  
**YEAR ENDED 31 AUGUST 2014**

The Staff, Finance and Buildings (SF&B) Committee is a committee of the main Board of Trustees. Members are highlighted with a \* in the table of trustees. Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of a possible
Mr A Gostelow	3	5
Mr J Catt	5	5
Dr C Hamilton	0	5
Mrs J Kavanagh	5	5
Dr T Birkinshaw	4	5
Mr G Brown	5	5
Mr N Grice	5	5
Mrs N Morton	2	2
Mr G Payne	2	2
Mr G Peat	5	5
Cllr R Sharp	4	5
Mr A Shepherd	2	2
Mr I Smith	5	5

**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 Woodbrook Vale School for the year ended 31 August 2014 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

The Board of Trustees 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 Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy trust's significant risks that has been in place for the year ended 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**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 FGB;
- regular reviews by the Staff, Finance and Buildings 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.

**WOODBROOK VALE SCHOOL**  
**GOVERNANCE STATEMENT (CONTINUED)**  
**YEAR ENDED 31 AUGUST 2014**

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The Internal audit role includes giving advice on financial matters and performing a range of checks on the Academy trust's financial systems. The SFB committee received a detailed report from the Internal audit committee during the year. The issues raised in the internal audit report have been implemented.

**Review of effectiveness**

As accounting officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. The FGB have replaced the Responsible officer role with an independent company to provide internal audit services. During the year 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 audit committee 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 Staff Finance and Buildings 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 Trustees on 9 December 2014 and signed on its behalf by:



**Mr A Gostelow**  
**Chair**



**Mr G Peat**  
**Accounting Officer**

**WOODBROOK VALE SCHOOL**  
**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**  
**YEAR ENDED 31 AUGUST 2014**

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

I confirm that I and the Academy Trust Board of Trustees 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. If any instances are identified after the date of this statement these will be notified to the Board of Trustees and EFA.



**Mr G Peat**  
**Accounting Officer**

**9 December 2014**

**WOODBROOK VALE SCHOOL**  
**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**YEAR ENDED 31 AUGUST 2014**

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The Trustees (who act as Governors for charitable activities of Woodbrook Vale School and are also the directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Requirements issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the statement 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 Trustees are required to:

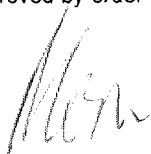
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been 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 Trustees 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 Trustees are responsible for ensuring that in its conduct and operation, the Charitable Company applies financial and other controls which conform with the requirements of both 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 Trustees 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 Trustees on 9 December 2014 signed on its behalf by:



**Mr A Gostelow**  
**Chair**

**WOODBROOK VALE SCHOOL**  
**INDEPENDENT AUDITOR'S REPORT**  
**YEAR ENDED 31 AUGUST 2014**

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We have audited the financial statements of Woodbrook Vale School for the period ended 31 August 2014 on pages 16 to 34. 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 to 2014 issued by the Education Funding Agency.

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

**Respective responsibilities of trustees and auditor**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 18, the trustees (who act as trustees for the charitable activities of the charitable company, and are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2014 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

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

In our opinion the information given in the Trustees' Report and the incorporated Strategic Report for the financial period for which the financial statements are prepared is consistent with the financial statements.



**WOODBROOK VALE SCHOOL**  
**INDEPENDENT AUDITOR'S REPORT**

**YEAR ENDED 31 AUGUST 2014**

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**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:

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

*Baker Tilly UK Audit LLP*

Richard Eccles (Senior Statutory Auditor)  
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
Suite A, 7<sup>th</sup> Floor  
City Gate East  
Tollhouse Hill  
Nottingham  
NG1 5FS

~~Date:~~

*16/12/14*

# WOODBROOK VALE SCHOOL

## STATEMENT OF FINANCIAL ACTIVITIES

(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

FOR THE YEAR ENDED 31 AUGUST 2014

	Notes	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total 2014 £'000	Total 2013 £'000
<b>Incoming resources</b>						
<i>Incoming resources from generated funds:</i>						
Voluntary income	2	57	-	22	79	23
Activities for generating funds	3	78	93	-	171	46
Investment income	4	3	-	-	3	11
<i>Incoming resources from charitable activities:</i>						
Academy's educational operations	5	-	3,125	-	3,125	3,593
<b>Total incoming resources</b>		<u>138</u>	<u>3,218</u>	<u>22</u>	<u>3,378</u>	<u>3,673</u>
<b>Resources expended</b>						
<i>Charitable activities:</i>						
Academy's educational operations	7	-	3,071	147	3,218	3,084
Governance costs	8	17	-	-	17	17
<b>Total resources expended</b>	6	<u>17</u>	<u>3,071</u>	<u>147</u>	<u>3,235</u>	<u>3,101</u>
<b>Net incoming/(outgoing) resources before transfers</b>		121	147	(125)	143	572
Gross transfers between funds	15	<u>36</u>	<u>(254)</u>	<u>218</u>	<u>-</u>	<u>-</u>
<b>Net income/(expenditure) for the year</b>		157	(107)	93	143	572
<i>Other recognised gains and losses:</i>						
Actuarial (losses)/gains on defined benefit pension scheme	23	<u>-</u>	<u>(144)</u>	<u>-</u>	<u>(144)</u>	<u>5</u>
<b>Net movement in funds</b>		157	(251)	93	(1)	577
<i>Reconciliation of funds</i>						
Total funds brought forward		171	(182)	6,521	6,510	5,933
<b>Total funds carried forward</b>	15	<u>328</u>	<u>(433)</u>	<u>6,614</u>	<u>6,509</u>	<u>6,510</u>

All of the academy's activities derive from continuing operations during the above two financial periods.

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

The notes on pages 19 to 34 form part of these financial statements

**WOODBROOK VALE SCHOOL**  
**BALANCE SHEET AT 31 AUGUST 2014**

**COMPANY NUMBER: 07671486**

	Notes	2014 £'000	2014 £'000	2013 £'000	2013 £'000
<b>Fixed assets</b>					
Tangible assets	12		6,614		6,521
<b>Current assets</b>					
Debtors	13	96		94	
Cash at bank and in hand		<u>732</u>		<u>524</u>	
		828		618	
Creditors: amounts falling due within one year	14	<u>(397)</u>		<u>(261)</u>	
<b>Net current assets</b>			<u>431</u>		<u>357</u>
<b>Total assets less current liabilities and net assets excluding pension liability</b>			7,045		6,878
Pension scheme liability	23		(536)		(368)
<b>Net assets including pension liability</b>			<u>6,509</u>		<u>6,510</u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>					
Fixed asset fund	15	6,614		6,521	
General fund	15	<u>103</u>		<u>186</u>	
Restricted funds excluding pension reserve		6,717		6,707	
Pension reserve	15,23	<u>(536)</u>		<u>(368)</u>	
<b>Total restricted funds</b>			6,181		6,339
<b>Total unrestricted funds</b>	15		328		171
<b>Total funds</b>	15		<u>6,509</u>		<u>6,510</u>

The financial statements on pages 16 to 34 were approved by the Trustees and authorised for issue on 9 December 2014 and are signed on their behalf by:

**Mr A Gostelow**  
**Chair**



The notes on pages 19 to 34 form part of these financial statements.

**WOODBROOK VALE SCHOOL**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2014**

	Notes	2014 £'000	2013 £'000
<b>Net cash inflow from operating activities</b>	18	334	114
Returns on investments and servicing of finance	19	3	11
Capital expenditure	20	(129)	(269)
<b>Increase/(decrease) in cash in the year</b>	21	<u>208</u>	<u>(144)</u>
<b>Reconciliation of net cash flow to movement in net funds</b>			
Net funds At 1 September		524	668
Increase/(decrease) in cash in the year		208	(144)
<b>Net funds at 31 August</b>	21	<u>732</u>	<u>524</u>

The notes on pages 19 to 34 form part of these financial statements.

**WOODBROOK VALE SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 AUGUST 2014**

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**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 2013 to 2014 issued by the Education Funding Agency and the Companies Act 2006.

The Statement of Financial Activities as set out on page 16 identifies the identical information as that of the Income and Expenditure Statement. As such, no separate Income and Expenditure Statement has been prepared.

A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

**Going concern**

The Trustees 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 trust to continue as a going concern. The Trustees make this assessment each year 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 trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

- **Grants receivable**

Grant income is 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.

The General Annual Grant ("the GAG") from the DfE which is intended to meet recurrent costs, is recognised on a receivable basis and is credited directly to the Statement of Financial Activities, incoming resources from charitable activities, to the extent of the entitlement of the funds, any abatement in respect of the period is deducted from income and is recognised as a liability.

Capital grants are recognised as voluntary income on a receivable basis to the extent there is entitlement.

Other grants from government agencies and other bodies are recognised in the period in which they are receivable to the extent the conditions of funding have been met. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received the income is accrued.

- **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.

## WOODBROOK VALE SCHOOL

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2014

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#### 1. Statement of accounting policies (continued)

- **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.

- **Interest receivable**

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

#### **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.

- **Cost 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 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 Trustee's meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

#### **Fund accounting**

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

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

#### **Tangible fixed assets**

Assets costing £20,000 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. Where the related grants require the asset to be held for a specific purpose they are credited to the restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet, with this amount being reduced over the useful economic life of the related asset on a basis consistent with the depreciation policy, the corresponding amount charged to the restricted fixed asset fund in the statement of Financial Activities.

## WOODBROOK VALE SCHOOL

### NOTES TO THE FINANCIAL STATEMENTS (*CONTINUED*)

YEAR ENDED 31 AUGUST 2014

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#### 1. Statement of accounting policies (*continued*)

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

Long leasehold buildings                      -                      straight line over 30 - 50 years

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

Impairment losses are recognised in the Statement of Financial Activities.

#### **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 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.

#### **Leased assets**

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

#### **Pensions benefits**

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS') (until April 2016), and the assets are held separately from those of the 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 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 quadrennial valuations using a prospective benefit method. As stated in note 23, the TPS is a multi-employer scheme and the 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 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.

**WOODBROOK VALE SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 AUGUST 2014**

**2. Voluntary income**

	Unrestricted funds £'000	Restricted funds £'000	Total 2014 £'000	Total 2013 £'000
DfE/EFA capital grants	-	22	22	-
Other donations	57	-	57	23
	<u>57</u>	<u>22</u>	<u>79</u>	<u>23</u>

**3. Activities for generating funds**

	Unrestricted funds £'000	Restricted funds £'000	Total 2014 £'000	Total 2013 £'000
Hire of facilities	11	-	11	22
Other income	67	93	160	24
	<u>78</u>	<u>93</u>	<u>171</u>	<u>46</u>

**4. Investment income**

	Unrestricted funds £'000	Restricted funds £'000	Total 2014 £'000	Total 2013 £'000
Short term deposits	<u>3</u>	<u>-</u>	<u>3</u>	<u>11</u>

**5. Funding for academy's educational operations**

	Unrestricted funds £'000	Restricted funds £'000	Total 2014 £'000	Total 2013 £'000
<b>DfE/EFA revenue grants</b>				
- General Annual Grant (GAG)	-	2,966	2,966	2,513
- Capital Grants	-	-	-	1,013
- Other DfE/EFA Grants	-	159	159	67
	<u>-</u>	<u>3,125</u>	<u>3,125</u>	<u>3,593</u>
<b>Other Government grants</b>				
- Local authority grants	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<u>-</u>	<u>3,125</u>	<u>3,125</u>	<u>3,593</u>



**WOODBROOK VALE SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 AUGUST 2014**

**6. Resources expended**

	<b>Staff Costs £'000</b>	<b>Non pay expenditure Premises £'000</b>	<b>Other costs £'000</b>	<b>Total 2014 £'000</b>	<b>Total 2013 £'000</b>
Academy's educational operations:					
- Direct costs	1,707	-	306	2,013	1,697
- Allocated support costs	672	257	276	1,205	1,387
	<u>2,379</u>	<u>257</u>	<u>582</u>	<u>3,218</u>	<u>3,084</u>
Governance costs	-	-	17	17	17
	<u>2,379</u>	<u>257</u>	<u>599</u>	<u>3,235</u>	<u>3,101</u>

**Net incoming/(outgoing) resources for the year include:**

	<b>2014 £'000</b>	<b>2013 £'000</b>
Operating leases	2	2
Fees payable to Baker Tilly UK Audit LLP and its associates		
- audit	8	7
- other services	<u>3</u>	<u>3</u>

**WOODBROOK VALE SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 AUGUST 2014**

**7. Charitable activities – Academy's educational operations**

	<b>Total 2014 £'000</b>	<b>Total 2013 £'000</b>
<b>Direct costs:</b>		
Teaching and educational support staff costs	1,707	1,550
Educational supplies	167	63
Examination fees	16	3
Staff development	13	11
Educational consultancy	18	14
Educational visits	89	53
Other direct costs	3	3
	<u>2,013</u>	<u>1,697</u>
<b>Allocated support costs:</b>		
Support staff costs	672	504
Depreciation	147	118
Recruitment and support	14	21
Maintenance of premises and equipment	57	472
Cleaning	8	11
Rent and rates	21	17
Insurance	39	34
Heat and light	32	31
Catering	7	39
Bank interest and charges (inc. FRS17 finance cost)	15	15
Printing, postage and stationery	4	14
Advertising and publicity	7	12
Other support costs	182	99
	<u>1,205</u>	<u>1,387</u>
<b>Total</b>	<u>3,218</u>	<u>3,084</u>

**8. Governance costs**

	<b>Total 2014 £'000</b>	<b>Total 2013 £'000</b>
Legal and professional fees	6	7
Auditor's remuneration:		
- Audit of financial statements	8	7
- Other services	3	3
	<u>17</u>	<u>17</u>

# WOODBROOK VALE SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2014

### 9. Staff number and costs

#### Staff costs

Staff costs during the year were:

	2014 £'000	2013 £'000
Wages and salaries	1,841	1,646
Social security costs	126	110
Pension costs	270	231
	<u>2,237</u>	<u>1,987</u>
Supply teacher costs	142	67
	<u>2,379</u>	<u>2,054</u>

#### Staff numbers

The average number of persons (including senior management team) employed by the academy during the year was as follows:

	2014 No.	2013 No.
Teachers	33	29
Administration and support	29	21
Management	5	5
	<u>67</u>	<u>55</u>

#### Higher paid staff

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

	2014 No.	2013 No.
£65,001 - £70,000	<u>1</u>	<u>1</u>

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2014, pension contributions for this member of staff amounted to £9,627 (2013: £9,532).

### 10. Trustees' remuneration and expenses

The Headteacher and staff trustees receive remuneration in respect of services they provide undertaking the roles of principal and staff and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the academy in respect of their role as Trustees.

G Peat, Headteacher, received remuneration of £68,952 (2013: £67,644 annualised) and is accruing retirement benefits under the Teacher's Pensions Scheme. The contributions in the year amounted to £9,627 (2013: £9,532 annualised).

I Smith, staff trustee, received remuneration of £43,319 (2013: £41,136) and is accruing retirement benefits under the Teacher's Pensions Scheme. The contributions in the year amounted to £6,153 (2013: £5,778).

M Grove, staff trustee, received remuneration of £41,846 (2013: £38,406) and is accruing retirement benefits under the Teacher's Pensions Scheme. The contributions in the year amounted to £5,971 (2013: £5,415).

**WOODBROOK VALE SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 AUGUST 2014**

**10. Trustees' remuneration and expenses (continued)**

N Grice, staff trustee, received remuneration of £24,822 (2013: £24,576) and is accruing retirement benefits under the Local Government Pension Scheme. The contributions in the year amounted to £4,860 (2013: £4,817).

During the year ended 31 August 2014, travel and subsistence expenses totalling £nil (2013: £nil) were reimbursed.

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 £3,000,000 on any one claim and the cost for the year ended 31 August 2014 was £1,200 (2013: £1,000).

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

**12. Tangible fixed assets**

	Long leasehold buildings £'000	Total £'000
<b>Cost</b>		
At 1 September 2013	6,757	6,757
Additions	240	240
At 31 August 2014	6,997	6,997
<b>Depreciation</b>		
At 1 September 2013	236	236
Charged in year	147	147
At 31 August 2014	383	383
<b>Net book values</b>		
At 31 August 2014	6,614	6,614
At 31 August 2013	6,521	6,521

**13. Debtors**

	2014 £'000	2013 £'000
Other debtors	54	94
Prepayments	42	-
	96	94

All amounts included within debtors fall due for payment within one year.

**WOODBROOK VALE SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 AUGUST 2014**

**14. Creditors: amounts falling during within one year**

	2014 £'000	2013 £'000
Other creditors	34	30
Other taxation and social security	39	39
Accruals and deferred income	324	192
	<u>397</u>	<u>261</u>

**Deferred income**

	£'000
Deferred income at 1 September 2013	-
Resources deferred in the year	186
Deferred income at 31 August 2014	<u>186</u>

At the balance sheet date the academy trust was holding funds received in advance for the new sports hall.

**15. Funds**

	At1 September 2013 £000	Incoming resources £000	Resources expended £000	Gains, losses and transfers £000	At 31 August 2014 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	186	2,966	(2,831)	(218)	103
Other DfE/EFA grants	-	159	(159)	-	-
Other restricted income	-	93	(57)	(36)	-
Pension reserve	(368)	-	(24)	(144)	(536)
	<u>(182)</u>	<u>3,218</u>	<u>(3,071)</u>	<u>(398)</u>	<u>(433)</u>
<b>Restricted fixed asset funds</b>					
DfE/EFA capital grants	590	22	-	-	612
Capital expenditure from GAG	262	-	-	218	480
Academy main building	5,669	-	(147)	-	5,522
	<u>6,521</u>	<u>22</u>	<u>(147)</u>	<u>218</u>	<u>6,614</u>
<b>Total restricted funds</b>	<u>6,339</u>	<u>3,240</u>	<u>(3,218)</u>	<u>(180)</u>	<u>6,181</u>
<b>Total unrestricted funds</b>	<u>171</u>	<u>138</u>	<u>(17)</u>	<u>36</u>	<u>328</u>
<b>Total funds</b>	<u>6,510</u>	<u>3,378</u>	<u>(3,235)</u>	<u>(144)</u>	<u>6,509</u>

**WOODBROOK VALE SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 AUGUST 2014**

**15. Fund (continued)**

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 2014.

Restricted general funds

General Annual Grant (GAG), other DfE/EFA grants and local authority grants are to be applied for the primary purpose of the Academy Trust in line with the master funding agreement and other specific funding letters.

Restricted fixed asset funds

The restricted fixed asset funds relate predominantly to the assets acquired on conversion to an Academy Trust, being the property.

Unrestricted funds

Unrestricted funds represent other incoming resources to the Trust applied for the general purposes of the Trust at the discretion of the Trustees.

**16. Analysis of net assets between funds**

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total funds £'000
Tangible fixed assets	-	-	6,614	6,614
Current assets	385	443	-	828
Current liabilities	-	(397)	-	(397)
Pension scheme liability	-	(536)	-	(536)
<b>Total net assets as at 31 August 2014</b>	<b>385</b>	<b>(490)</b>	<b>6,614</b>	<b>6,509</b>

**17. Financial commitments**

At 31 August 2014, the academy trust had annual commitments under non-cancellable operating leases as follows:

	2014 £'000	2013 £'000
<u>Other</u>		
Expiring within one year	<u>2</u>	<u>2</u>

**WOODBROOK VALE SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 AUGUST 2014**

**18. Reconciliation of net income to net cash inflow from operating activities**

	2014 £'000	2013 £'000
Net income for the year	143	572
Depreciation (note 12)	147	118
Interest receivable (note 4)	(3)	(11)
FRS 17 pension cost less contributions payable (note 23)	12	5
FRS pension finance costs (note 23)	12	13
Increase in debtors	(2)	(65)
Increase in creditors	47	65
Capital grant from DFE	(22)	(583)
<b>Net cash inflow from operating activities</b>	<b>334</b>	<b>114</b>

**19. Returns on investments and servicing of finance**

	2014 £'000	2013 £'000
Interest receivable	3	11
<b>Net cash inflow from returns on investment and servicing of finance</b>	<b>3</b>	<b>11</b>

**20. Capital expenditure and financial investment**

	2014 £'000	2013 £'000
Purchase of tangible fixed assets	(151)	(852)
Capital grants from DfE/EFA	22	583
<b>Net cash outflow from capital expenditure and financial investment</b>	<b>(129)</b>	<b>(269)</b>

**21. Analysis of changes in net funds**

	At 1 September 2013 £'000	Cash flows £'000	At 31 August 2014 £'000
Cash in hand and at bank	524	208	732

**22. Members' liabilities**

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.

## WOODBROOK VALE SCHOOL

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 AUGUST 2014

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#### 23. Pension and similar obligations

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff which is managed by Leicestershire 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 2012 and of the LGPS 31 March 2013.

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

##### Teachers' Pension Scheme

The Teachers' Pensions Scheme ("TPS") is a statutory, contributory, defined benefit scheme. The regulations under which the TPS operates are the Teachers' Pensions Regulations 2010. Retirement and other pension benefits, including annual increases payable under the Pensions (Increase) Acts are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament. Under the unfunded TPS, teachers' contributions on a 'pay as-you-go' basis, and employers' contributions, are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pensions Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001 to 31 March 2011, the Account has been credited with a real rate of return (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

##### Valuation of the Teachers' Pensions Scheme

Not less than every four years the Government Actuary ("GA"), using normal actuarial principles, conducts a formal actuarial review of the TPS. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. Many of these were being discussed in the context of the design for a reformed TPS, and as set out in the Proposed Final Agreement scheme valuations had been suspended since the last valuation in 2004.

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

Valuations of the TPS are now required under the Public Service Pensions Act 2013 every 4 years and are required to be carried out in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury.

An actuarial valuation of the TPS in accordance with these Directions was published in June 2014 assessing the TPS as at 31 March 2012. The GA's report revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £191,500 million. The value of the notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £176,600 million. The assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.



## WOODBROOK VALE SCHOOL

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### YEAR ENDED 31 AUGUST 2014

##### 23. Pension and similar obligations (continued)

###### Employer and employee contribution rates

As from 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable. The cost-sharing agreement also introduced – effective for the first time for the 2008 valuation – a 14% cap on employer contributions payable.

From 1 April 2013 to 31 March 2014, the employee contribution rate ranged between 6.4% and 11.2%, depending on a member's Full Time Equivalent salary and for 2014/15 will range between 6.4% and 12.4%. Thereafter members will be expected to pay an average contribution rate of 9.6%.

The TPS valuation for 2012 determined an employer contribution rate of 16.4% from September 2015 and an employer cost cap of 10.9%, both to be set in regulations. The employer contribution rate will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

There will be further reforms and changes to the TPS with a new 2015 scheme.

The pension costs paid to TPS in the year amounted to £165,000 (2013: £146,000)

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

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

###### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £105,000 (2013: £85,000), of which employer's contributions totalled £81,000 (2013: £65,000) and employees' contributions totalled £24,000 (2013: £20,000). The agreed contribution rates for future years are 21.2% for employers and 5.5 - 8.5% for employees.

Principal Actuarial Assumptions	At 31 August 2014	At 31 August 2013
Rate of increase in salaries	4.4%	5.1%
Rate of increase for pensions in payment / inflation (CPI)	2.6%	2.8%
Discount rate for scheme liabilities	3.7%	4.6%
Expected return on assets	5.5%	5.7%

**WOODBROOK VALE SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 AUGUST 2014**

**23. Pension and similar obligations (continued)**

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 2014	At 31 August 2013
<i>Retiring today</i>		
Males	22.2	20.9
Females	24.3	23.3
<i>Retiring in 20 years</i>		
Males	24.2	23.3
Females	26.6	25.6

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

	Expected return at 31 August 2014	Fair value at 31 August 2014	Expected return at 31 August 2013	Fair value at 31 August 2013
Equities	6.3%	399	6.6%	272
Bonds	3.3%	97	3.8%	110
Property	4.5%	57	4.7%	38
Cash	3.3%	17	3.6%	4
<b>Total market value of assets</b>		<u>570</u>		<u>424</u>
Present value of scheme liabilities:				
- Funded		(1,106)		(792)
<b>Deficit in the scheme</b>		<u>(536)</u>		<u>(368)</u>

The actual return on scheme assets was £57,000 (2013: £39,000).

**Amounts recognised in the statement of financial activities:**

	2014 £'000	2013 £'000
Current service cost (net of employee contributions)	93	70
Past service cost	-	-
<b>Total operating charge</b>	<u>93</u>	<u>70</u>

**Analysis of pension finance income/(costs):**

Expected return on pension scheme assets	27	16
Interest on pension liabilities	(39)	(29)
<b>Pension finance costs</b>	<u>(12)</u>	<u>(13)</u>

**WOODBROOK VALE SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 AUGUST 2014**

**23. Pension and similar obligations (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 £220,000 (2013: £76,000)

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

	<b>2014</b>	<b>2013</b>
	<b>£'000</b>	<b>£'000</b>
<b>At 1 September</b>	792	656
Current service cost	93	70
Employee contributions	24	20
Actuarial loss	162	17
Interest cost	39	29
Benefits paid	(4)	-
<b>At 31 August</b>	<u>1,106</u>	<u>792</u>

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

	<b>2014</b>	<b>2013</b>
	<b>£'000</b>	<b>£'000</b>
<b>At 1 September</b>	424	301
Expected return on assets	27	16
Actuarial gain	18	22
Employer contributions	81	65
Employee contributions	24	20
Benefits paid	(4)	-
<b>At 31 August</b>	<u>570</u>	<u>424</u>

The estimated value of employer contributions for the year ended 31 August 2015 is £92,000.

**The three year history of experience adjustments is as follows:**

	<b>2014</b>	<b>2013</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Present value of defined benefit obligations</b>	(1,106)	(792)	(656)
<b>Fair value of share of scheme assets</b>	<u>570</u>	<u>424</u>	<u>301</u>
<b>Deficit in the scheme</b>	(536)	(368)	(355)
<b>Experience adjustments on share of scheme assets</b>			
Amount £'000	<u>18</u>	<u>23</u>	<u>81</u>
<b>Experience adjustments on scheme liabilities</b>			
Amount £'000	<u>3</u>	<u>-</u>	<u>-</u>

**WOODBROOK VALE SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31 AUGUST 2014**

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**24. Related party transactions**

Owing to the nature of the academy's operations and the composition of the board of Trustees 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 Trustees 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.

No related party transactions took place in the year.

**WOODBROOK VALE SCHOOL**  
**INDEPENDENT AUDITOR'S REPORT**  
**YEAR ENDED 31 AUGUST 2014**

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WOODBROOK VALE SCHOOL AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 1 April 2014 and further to the requirements of the Education Funding Agency ('EFA') as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Woodbrook Vale School during the year ended 31 August 2014 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 Woodbrook Vale School and the EFA in accordance with the terms of our engagement letter dated 1 April 2014. Our work has been undertaken so that we might state to Woodbrook Vale 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 Woodbrook Vale School and the EFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Woodbrook Vale School's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Woodbrook Vale School's funding agreement with the Secretary of State for Education dated 1 September 2011 and the Academies Financial Handbook extant from 1 September 2013, 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 to 2014. 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 year ended 31 August 2014 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 to 2014 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.

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion.

**WOODBROOK VALE SCHOOL**  
**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**YEAR ENDED 31 AUGUST 2014**

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**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 year ended 31 August 2014 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

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~~Date~~

*16/12/14*