

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

ANNUAL REPORT & FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2013

Registered Number 07671486 (England and Wales)

**WOODBROOK VALE SCHOOL
(FORMERLY WOODBROOK VALE HIGH SCHOOL)**

FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

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**WOODBROOK VALE SCHOOL
(FORMERLY WOODBROOK VALE HIGH SCHOOL)**

REFERENCE & ADMINISTRATIVE DETAILS

YEAR ENDED 31 AUGUST 2013

Trustees	Mr A Gostelow* (Chair) Mr J Catt* Dr C Hamilton* Dr G Page* (resigned 8/10/2012) Mr J Poland* Mrs E Rousham* (appointed 17/10/2012)
Governors (Directors)	Dr T Birkinshaw Mr G Brown* Mr S Ghent Ms N Martin (resigned 7/03/2013) Mrs J Kavanagh* (appointed 17/10/2012) Cllr R Sharp* (appointed 17/10/2012) Mr P Holloway * (appointed 11/12/2012) Miss S Tosar* (appointed 11/12/2012) Mr N Grice* (Staff Governor) Mr M Grove (Staff Governor) Mr I Smith* (Staff Governor) Mr G Bett (Headteacher and Accounting Officer) (resigned 7/04/2013) Mr G Peat (Headteacher and Accounting Officer) (appointed 8/04/2013) *Members of the Staffing, Finance & Buildings Committee
Company Secretary	Mr D Green
Senior Management Team:	
Headteacher	Mr G Bett (retired 07/04/2013) Mr G Peat (appointed 08/04/2013)
Deputy Headteacher	Mrs A Vann
Assistant Headteacher	Mrs S Anderson
Assistant Headteacher	Mr C Rowlett
Business Manager	Mr D Green
Principal and Registered Office	Woodbrook Vale School Grasmere Road Loughborough Leicestershire LE11 2ST
Company Registration Number	7671486 (England and Wales)
Independent Auditor	Baker Tilly Audit Limited 45 Wollaton Street Nottingham NG1 5FW
Bankers	NatWest Loughborough Leicestershire LE11 3NZ
Solicitors	Michelmores 48 Chancery Lane London WC2A 1JF

**WOODBROOK VALE SCHOOL
(FORMERLY WOODBROOK VALE HIGH SCHOOL)**

TRUSTEES' REPORT

YEAR ENDED 31 AUGUST 2013

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2013.

The charitable company was incorporated on 15 June 2011 and commenced trade as an Academy on 1 September 2011.

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.

Trustees and Governors Liability

Each Trustee and Governor 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 and Governors Indemnities

Trustees and Governors may 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.

Principal Activities

Woodbrook Vale School offers a balanced and broadly based 11-16 curriculum for pupils of different abilities who are mainly drawn from the area in which the school is situated.

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.

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TRUSTEES' REPORT

YEAR ENDED 31 AUGUST 2013

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 address these issues.

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, the 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 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.

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TRUSTEES' REPORT

YEAR ENDED 31 AUGUST 2013

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, 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

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TRUSTEES' REPORT

YEAR ENDED 31 AUGUST 2013

Structure, Governance and Management (*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.

Achievements and Performance

In 2012-13 Woodbrook Vale School achieved results well above the national average in English, Maths and Science. Almost all other subjects attained results which were in line with those in English, Maths and Science. Students achieve an average gain of 11 points during key stage 3, which represents progress above national expectations. The results in Modern Foreign Languages were below the school average but the gap was narrower when compared with the results from the previous year.

Girls outperform boys at key stage 3. This gap was wider at level 6+ than level 5+. The gap was also wider in literacy based subjects such as English and History and narrower in numeracy and logical subjects such as Maths and Science. On average girls made one more point more progress than boys. This represents a smaller gap than the national average.

SEN students in all three categories made progress close to the school average during key stage 3. The best progress was made by Statement and School action plus students. The best attainment was achieved by school action students.

Students from ethnic minorities achieved around the school average and made similar progress to all students. Pupil premium students attained below and made less progress than the school average.

Students identified as gifted and talented attained well above the school average. Their progress was also significantly above the school average in Maths and Science but below in more practical subjects such as Art, Design, ICT and PE. In other subjects progress was close to the school average.

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TRUSTEES' REPORT

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Achievements and Performance (*continued*)

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.

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 period ending 31st August 2013.

At 31st August 2013 the General Fund Surplus amounted to £357k.

The Academy's Finance Policy was agreed by Governors on 1st May 2012. This document sets out key financial responsibilities. 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

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Reserves Policy

It is intended that the Trustees and Governors will continue to regularly monitor the reserve levels of the Academy. This review encompasses the nature of income and expenditure streams, and identifies the need to match income with existing commitments and establish a reserve balance at any one time equivalent to a month's expenditure.

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 bonds with high street banks.

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 confirmation from the EFA of a considerable increase in budget provision based on Age weighted pupil numbers relating to the addition year group (136 year 10 students) in 2013/14.

To fulfil the curriculum and support students in school the Academy appointed to 16 new posts including the 5 Catering staff who have been brought in house transferred on a TUPE arrangement from Leicestershire County Council Service

During 2013/14 the Academy completed the works funded by the Academies Capital Maintenance Fund (ACMF) 2012/13 replacing part of the existing roof and refurbishing toilets to the value of £420,000. A further successful bid via the ACMF 2013-14 secured £589,512 with an added contribution of £250,000 from school reserves. This provided a new standalone 6 classroom block to accommodate our increase in students from September 2013. This was completed on time and on budget.

A balanced revenue budget for 2013-14 has been approved by the Staff, Buildings and Finance Committee that reflects further changes and projects a surplus balance in the region of £256,000. This will be continually monitored and reported throughout the financial year. The intention is for some of this balance to be used to contribute towards future building projects including a Sports Hall, required in line with the school's expansion.

Leicestershire County Council has recently confirmed that the projected Year 7 student number on roll for 2014/15 is above Woodbrook Vale's Pupil Admission Number (PAN). The 2014/15 funding allocation will be based on estimated pupil numbers taken from the October 2013 Census. This will provide the Academy with an agreed budget to plan the second year of the age range change. 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.

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TRUSTEES' REPORT

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Funds held as Custodian Trustee on behalf of others

There are no funds held as Custodian Trustee on behalf of others.

Auditor

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees 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.

The auditors 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 Trustees on 10 December 2013 and signed on their behalf by:

Mr A Gostelow
Chair

**WOODBROOK VALE SCHOOL
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GOVERNANCE STATEMENT

YEAR ENDED 31 AUGUST 2013

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 twice during the year. Attendance at meetings during the year of the Full Board of Governors was as follows:

Trustee and Governors	Meetings attended	Out of a possible
Mr A Gostelow* (Chair)	6	6
Dr T Birkinshaw	6	6
Mr G Brown*	6	6
Mr J Catt*	6	6
Mr S Ghent	2	6
Dr C Hamilton*	3	6
Ms N Martin (resigned 7/03/2013)	1	6
Dr G Page* (resigned 8/10/2012)	0	1
Mr J Poland*	6	6
Mrs E Rousham*	6	6
Mrs J Kavanagh (appointed 17/10/2012)	4	6
Cllr R Sharp (appointed 17/10/2012)	3	4
Mr P Holloway (appointed 11/12/2012)	2	3
Miss S Tosar (appointed 11/12/2012)	2	3
Mr N Grice* (Staff Governor)	5	6
Mr M Grove (Staff Governor)	5	6
Mr I Smith* (Staff Governor)	5	6
Mr G Bett (Headteacher & Accounting officer)	5	5
Mr G Peat (Headteacher & Accounting officer)	1	1

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GOVERNANCE STATEMENT

YEAR ENDED 31 AUGUST 2013

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 above. Attendance at meetings in the year was as follows:

Trustees and Governors	Meetings attended	Out of a possible
Mr A Gostelow	4	5
Mr G Brown	2	5
Mr J Catt	5	5
Dr C Hamilton	4	5
Dr G Page	0	1
Mr J Poland (transferred to C&P 17/10/2012)	1	1
Mrs E Rousham	3	5
Cllr R Sharp (appointed 17/10/2012)	4	4
Mr P Holloway (appointed 11/12/2012)	1	3
Dr T Birkinshaw (transferred from C&P 17/10/2012)	2	4
Miss S Tosar (appointed 11/12/2012)	1	3
Mrs J Kavanagh (appointed 17/10/2012)	3	4
Mr N Grice	5	5
Mr I Smith	4	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 2013 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 2013 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

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GOVERNANCE STATEMENT

YEAR ENDED 31 AUGUST 2013

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.

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 10 December 2013 and signed on its behalf by:

Mr A Gostelow
Chair

Mr G Peat
Accounting Officer

**WOODBROOK VALE SCHOOL
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

YEAR ENDED 31 AUGUST 2013

Statement on Regularity, Propriety and Compliance

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.

Mr G Peat
Accounting Officer

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

YEAR ENDED 31 AUGUST 2013

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 10 December 2013 signed on its behalf by:

Mr A Gostelow
Chair

**WOODBROOK VALE SCHOOL
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INDEPENDENT AUDITOR'S REPORT

YEAR ENDED 31 AUGUST 2013

We have audited the financial statements of Woodbrook Vale School for the year ended 31 August 2013 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 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 15, the Trustees (who act as the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

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

Opinion on other requirement of the Companies Act 2006

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

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INDEPENDENT AUDITOR'S REPORT

YEAR 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:

- 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.

Richard Eccles (Senior Statutory Auditor)
For and on behalf of BAKER TILLY AUDIT LIMITED, Statutory Auditor
The Poynt
45 Wollaton Street
Nottingham
NG1 5FW

Prior to 30 September 2013 Baker Tilly Audit Limited were known as RSM Tenon Audit Limited.

**WOODBROOK VALE SCHOOL
(FORMERLY WOODBROOK VALE HIGH SCHOOL)**

**STATEMENT OF FINANCIAL ACTIVITIES
(including Income and Expenditure Account and Statement of Total Recognised Gains
and Losses)**

FOR THE YEAR ENDED 31 AUGUST 2013

	Note	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2013 £'000	<i>Restated</i> Total 2012 £'000
Incoming resources						
<i>Income resources from generated funds:</i>						
Voluntary income	3	23	-	-	23	1
Transfer from local authority on conversion		-	-	-	-	5,806
Activities for generating funds	4	46	-	-	46	115
Investment income	5	11	-	-	11	3
<i>Incoming resources from charitable activities:</i>						
Funding for the Academy's educational operations	6	-	2,580	1,013	3,593	2,603
Total incoming resources		<u>80</u>	<u>2,580</u>	<u>1,013</u>	<u>3,673</u>	<u>8,528</u>
Resources expended						
<i>Cost of generating funds:</i>						
Cost of generating voluntary income		-	-	-	-	-
<i>Charitable activities:</i>						
- Academy's educational operations	8	-	2,536	548	3,084	2,499
Governance costs	9	17	-	-	17	16
Total resources expended	8	<u>17</u>	<u>2,536</u>	<u>548</u>	<u>3,101</u>	<u>2,515</u>
Net incoming resources before transfers		63	44	465	572	6,013
Gross transfers between funds	16	(166)	(103)	269	-	-
Net income/(expenditure) for the year		(103)	(59)	734	572	6,013
<i>Other recognised gains and losses:</i>						
Actuarial gain/(losses) on defined benefit pension scheme	24	-	5	-	5	(80)
Net movement in funds		(103)	(54)	734	577	5,933
<i>Reconciliation of funds</i>						
Total fund brought forward as previously reported		274	(128)	9,315	9,461	-
Prior period adjustment		-	-	(3,528)	(3,528)	-
Total funds brought forward as restated		<u>274</u>	<u>(128)</u>	<u>5,787</u>	<u>5,933</u>	<u>-</u>
Total funds carried forward at 31 August 2013	16	<u>171</u>	<u>(182)</u>	<u>6,521</u>	<u>6,510</u>	<u>5,933</u>

All of the academy's activities derive from continuing operations in the current financial year.

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

**WOODBROOK VALE SCHOOL
(FORMERLY WOODBROOK VALE HIGH SCHOOL)**

BALANCE SHEET AT 31 AUGUST 2013

COMPANY NUMBER: 7671486

	Notes	2013 £'000	2013 £'000	<i>Restated</i> 2012 £'000	2012 £'000
Fixed assets					
Tangible assets	13		6,521		5,787
Current assets					
Debtors	14	94		29	
Cash at bank and in hand		524		668	
		618		697	
Liabilities					
Creditors: amounts falling due within one year	15	(261)		(196)	
Net current assets					
			357		501
Total assets less current liabilities					
			6,878		6,288
Pension scheme liability	24		(368)		(355)
Net assets including pension liability					
			6,510		5,933
Funds of the academy trust:					
Restricted income funds					
Fixed asset fund	16	6,521		5,787	
General fund	16	186		227	
Pension reserve	16, 24	(368)		(355)	
Total restricted funds					
			6,339		5,659
Unrestricted income funds					
General fund	16		171		274
Total unrestricted funds					
	16		171		274
Total funds					
	16		6,510		5,933

The financial statements on pages 16 to 34 were approved by the Trustees and authorised for issue on 10 December 2013 and are signed on their behalf by:

Mr A Gostelow
Chair of Trustees

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

**WOODBROOK VALE SCHOOL
(FORMERLY WOODBROOK VALE HIGH SCHOOL)**

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2013

	Notes	2013 £	2012 £
Net cash inflow from operating activities	19	114	494
Returns on investments and servicing of finance	20	11	3
Capital expenditure	21	(269)	-
(Decrease)/increase in cash in the year	22	<u>(144)</u>	<u>497</u>
 Reconciliation of net cash flow to movement in net funds			
At 1 September 2012		668	-
Transfer from Local Authority on conversion		-	171
(Decrease)/increase in cash in the year		<u>(144)</u>	<u>497</u>
Net funds at 31 August 2013		<u>524</u>	<u>668</u>

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

**WOODBROOK VALE SCHOOL
(FORMERLY WOODBROOK VALE HIGH SCHOOL)**

NOTES TO THE FINANCIAL STATEMENTS

YEAR 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 Education Funding Agency and the Companies Act 2006. The Statement of Financial Activities as set out on page 18 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**

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.

**WOODBROOK VALE SCHOOL
(FORMERLY WOODBROOK VALE HIGH SCHOOL)**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

1. Statement of Accounting Policies (continued)

Resources expended

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

- **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.

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. 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 lives, as follows:

Long leasehold buildings - straight line over 30 - 50 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.

**WOODBROOK VALE SCHOOL
(FORMERLY WOODBROOK VALE HIGH SCHOOL)**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

1. Statement of Accounting Policies (continued)

Leased Assets

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

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.

Pensions Benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS'), the Local Government Pension Scheme ('LGPS') and a defined contribution pension scheme. These first two are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the 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 quinquennial valuations using a prospective benefit method. As stated in note 24, 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.

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 comprise all other restricted funds received and include grants from the Education Funding Agency.

**WOODBROOK VALE SCHOOL
(FORMERLY WOODBROOK VALE HIGH SCHOOL)**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

2. General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the Academy Trust was subject to limits at 31 August 2013 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The Academy Trust has not exceeded these limits during the year ended 31 August 2013.

3. Voluntary Income

	Unrestricted funds £'000	Restricted funds £'000	Total 2013 £'000	Total 2012 £'000
Other donations	23	-	23	1

4. Activities for Generating Funds

Hire of facilities	22	-	22	17
Other income	24	-	24	98
	46	-	46	115

5. Investment Income

	Unrestricted funds £'000	Restricted funds £'000	Total 2013 £'000	Total 2012 £'000
Short term deposits	11	-	11	3

**WOODBROOK VALE SCHOOL
(FORMERLY WOODBROOK VALE HIGH SCHOOL)**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

6. Funding for academy's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2013 £'000	Total 2012 £'000
DfE/EFA revenue grants				
- General Annual Grant (GAG)	-	2,513	2,513	2,534
- Start Up Grants	-	-	-	25
- Capital Grants	-	1,013	1,013	-
- Other DfE/EFA Grants	-	67	67	44
	<u>-</u>	<u>3,593</u>	<u>3,593</u>	<u>2,603</u>
Other Government grants				
- Local authority grants	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>-</u>	<u>3,593</u>	<u>3,593</u>	<u>2,603</u>

7. Resources expended

	Staff Costs £'000	Non pay expenditure		Total 2013 £'000	<i>Restated</i> Total 2012 £'000
		Premises £'000	other costs £'000		
Costs of activities for generating funds Academy's education operations:	-	-	-	-	-
- Direct costs	1,483	-	214	1,697	1,579
- Allocated support costs	504	242	229	975	920
	<u>1,987</u>	<u>242</u>	<u>443</u>	<u>2,672</u>	<u>2,499</u>
Governance costs	-	-	16	16	16
	<u>1,987</u>	<u>242</u>	<u>459</u>	<u>2,688</u>	<u>2,515</u>

Incoming/outgoing resources for the year include:

	2013 £'000	<i>Restated</i> 2012 £'000
Fees payable to auditor:		
- Audit	7	7
- Other services	3	2
Depreciation of fixed assets	<u>118</u>	<u>118</u>

**WOODBROOK VALE SCHOOL
(FORMERLY WOODBROOK VALE HIGH SCHOOL)**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

8. Charitable Activities – Academy’s educational operations

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2013 £'000	<i>Restated</i> Total 2012 £'000
Direct costs:				
Teaching and educational support staff costs	-	1,550	1,550	1,441
Depreciation	-	-	-	-
Educational supplies	-	63	63	53
Examination fees	-	3	3	1
Staff development	-	11	11	7
Educational consultancy	-	14	14	55
Educational visits	-	53	53	17
Other direct costs	-	3	3	5
	<u>-</u>	<u>1,697</u>	<u>1,697</u>	<u>1,579</u>
Allocated support costs:				
Support staff costs	-	504	504	476
Depreciation	-	118	118	118
Recruitment and support	-	21	21	3
Maintenance of premises and equipment	-	472	472	11
Cleaning	-	11	11	8
Rent and rates	-	17	17	9
Insurance	-	34	34	29
Heat and light	-	31	31	33
Catering	-	39	39	27
Bank interest and charges	-	15	15	15
Printing, postage and stationery	-	14	14	14
Advertising and publicity	-	12	12	8
Other support costs	-	99	99	169
	<u>-</u>	<u>1,387</u>	<u>1,387</u>	<u>920</u>
Total	<u>-</u>	<u>3,084</u>	<u>3,084</u>	<u>2,499</u>

9. Governance Costs

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2013 £'000	Total 2012 £'000
Legal and professional fees	7	-	7	7
Auditor's remuneration:				
Audit of financial statements	7	-	7	7
Other services	3	-	3	2
	<u>17</u>	<u>-</u>	<u>17</u>	<u>16</u>

**WOODBROOK VALE SCHOOL
(FORMERLY WOODBROOK VALE HIGH SCHOOL)**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

10. Staff costs

Staff costs during the year were:

	2013	2012
	£'000	£'000
Wages and salaries	1,646	1,588
Social security costs	110	103
Pension costs	231	221
	1,987	1,912
Supply teacher costs	67	5
	2,054	1,917

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	2012
	No.	No.
Charitable activities		
Teachers	29	27
Administration and support	21	23
Management	5	5
	55	55

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

	2013	2012
	No.	No.
£60,001 - £65,000	-	-
£65,001 - £70,000	1	-
£70,001 - £75,000	-	1
	-	1

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2013, pension contributions amounted to £nil (2012: £10,000).

11. Related Party Transactions – Trustees' Remuneration and Expenses

The principal 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. The value of Trustees' annualised remuneration (excluding pension contributions of 14.1%) was as follows:

G Bett (previous Headteacher):	£70,001 - £75,000	(2012: £70,001 - £75,000)
G Peat (Headteacher):	£65,001 - £70,000	(2012: £nil)
I Smith (Staff governor):	£40,001 - £45,000	(2012: £40,001 - £45,000)
M Grove (Staff governor):	£35,001 - £40,000	(2012: £35,001 - £40,000)
N Grice (Staff governor):	£20,001 - £25,000	(2012: £20,001 - £25,000)

During the year ended 31 August 2013, travel and subsistence expenses totalling £nil (2012: £nil) were reimbursed.

Other related party transactions involving the Trustees are set out in note 25.

**WOODBROOK VALE SCHOOL
(FORMERLY WOODBROOK VALE HIGH SCHOOL)**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

12. 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 2013 was £1,000 (2012: £1,000).

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

13. Tangible Fixed Assets

	Long Leasehold Buildings £'000 <i>Restated</i>	Total £'000 <i>Restated</i>
Cost		
At 1 September 2012 as previously reported	9,505	9,505
Prior period adjustment	(3,600)	(3,600)
At 1 September 2012 as restated	5,905	5,905
Additions	852	852
Disposals	-	-
At 31 August 2013	6,757	6,757
Depreciation		
At 1 September 2012 as previously reported	190	190
Prior period adjustment	(72)	(72)
At 1 September 2012 as restated	118	118
Charged in year	118	118
Disposals	-	-
At 31 August 2013	236	236
Net book values		
At 31 August 2013	6,521	6,521
At 31 August 2012	5,787	5,787

A prior period adjustment has been made due to the incorrect building valuation being capitalised at the date of conversion to an Academy Trust. The impact of the adjustment is to reduce previously reported net income and net assets for the period ended 31 August 2012 by £3.5m

14. Debtors

	2013 £'000	2012 £'000
Other debtors	94	29

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

**WOODBROOK VALE SCHOOL
(FORMERLY WOODBROOK VALE HIGH SCHOOL)**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

15. Creditors: amounts falling during within one year

	2013 £'000	2012 £'000
Other creditors	30	-
Other taxation and social security	39	39
Accruals and deferred income	192	157
	261	196

16. Funds

	Restated Balance at 1 September 2012 £000	Incoming resources £000	Resources expended £000	Gains, losses and transfers £000	Balance at 31 August 2013 £000
Restricted general funds					
General Annual Grant (GAG)	227	2,512	(2,450)	(103)	186
Start Up Grant	-	-	-	-	-
Other DfE/EFA grants	-	68	(68)	-	-
Pension reserve	(355)	-	(18)	5	(368)
	(128)	2,580	(2,536)	(264)	(182)
Restricted fixed asset funds					
DfE/EFA capital grants	-	1,013	(423)	-	590
Capital expenditure from GAG	-	-	(7)	269	262
Academy main building	5,787	-	(118)	-	5,669
	5,787	1,013	(548)	269	6,521
Total restricted funds	5,659	3,593	(3,084)	5	6,339
Unrestricted funds					
General funds	274	80	(17)	(166)	171
Total funds	5,933	3,673	(3,101)	5	6,510

Under the funding agreement with the Secretary of State, the Academy Trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2013. Note 2 discloses whether the limit was exceeded.

**WOODBROOK VALE SCHOOL
(FORMERLY WOODBROOK VALE HIGH SCHOOL)**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

17. Analysis of net assets between funds

Fund balances at 31 August 2013 are represented by:

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total funds £'000
Tangible fixed assets	-	-	6,521	6,521
Current assets	432	186	-	618
Current liabilities	(261)	-	-	(261)
Pension scheme liability	-	(368)	-	(368)
Total net assets	<u>171</u>	<u>(182)</u>	<u>6,521</u>	<u>6,510</u>

18. Financial commitments

At 31 August 2013, the academy had annual commitments under non-cancellable operating leases as follows:

	2013 £'000	2012 £'000
Other		
Expiring within one year	<u>2</u>	<u>2</u>

19. Reconciliation of net income to net cash inflow from operating activities

	2013 £'000	2012 £'000 (As restated)
Net income for the year	572	6,013
Depreciation (note 13)	118	118
Interest receivable (note 5)	(11)	(3)
FRS 17 pension cost less contributions payable (note 24)	5	(9)
FRS pension finance income (note 24)	13	14
Increase in debtors	(65)	(29)
Increase in creditors	65	196
Transfer from Local Authority on conversion (note 26)	-	(5,806)
Capital grant from DFE	(583)	-
Net cash inflow from operating activities	<u>114</u>	<u>494</u>

20. Returns on investments and servicing of finance

	2013 £'000	2012 £'000
Interest received	11	3
Net cash inflow from returns on investment and servicing of finance	<u>11</u>	<u>3</u>

**WOODBROOK VALE SCHOOL
(FORMERLY WOODBROOK VALE HIGH SCHOOL)**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

21. Capital expenditure and financial investment

	2013	2012
	£'000	£'000
Purchase of tangible fixed assets	(852)	-
Capital grants from DfE/EFA	583	-
Net cash outflow from capital expenditure and financial investment	(269)	-

22. Analysis of changes in net funds

	At 1 September 2012 £'000	Cash flows £'000	At 31 August 2013 £'000
Cash in hand and at bank	668	(144)	524
	668	(144)	524

23. 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.

24. 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 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 2004 and of the LGPS 31 March 2010.

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

Teachers' Pension Scheme

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.

**WOODBROOK VALE SCHOOL
(FORMERLY WOODBROOK VALE HIGH SCHOOL)**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

24. Pension and similar obligations (*continued*)

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 Teachers' 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' Pension 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.

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.

**WOODBROOK VALE SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

24. Pension and similar obligations (*continued*)

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; and 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 at which they can retire, and no decrease in the amount of pension they receive when they 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 year ended 31 August 2013 was £85,000, of which employer's contributions totalled £65,000 and employees' contributions totalled £20,000. The agreed contribution rates for future years are 21.2% for employers and 5.5 - 7.5% for employees.

**WOODBROOK VALE SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

24. Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

Principal Actuarial Assumptions	At 31 August 2013	At 31 August 2012
Rate of increase in salaries	5.1%	4.5%
Rate of increase for pensions in payment / inflation	2.8%	2.2%
Discount rate for scheme liabilities	4.6%	4.1%
Expected return on assets	5.7%	4.8%

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	At 31 August 2012
<i>Retiring today</i>		
Males	20.9	20.9
Females	23.3	23.3
<i>Retiring in 20 years</i>		
Males	23.3	23.3
Females	25.6	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 2013	Fair value at 31 August 2013	Expected return at 31 August 2012	Fair value at 31 August 2012
Equities	6.6%	272	5.5%	210
Bonds	3.8%	110	2.8%	51
Property	4.7%	38	3.7%	33
Cash	3.6%	4	2.8%	7
Total market value of assets		424		301
Present value of scheme liabilities:				
- Funded		(792)		(656)
Deficit in the scheme		(368)		(355)

The actual return on scheme assets was £39,000 (2012: £14,000).

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

24. Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

Amounts recognised in the statement of financial activities:

	2013	2012
	£'000	£'000
Current service cost (net of employee contributions)	70	55
Past service cost	-	-
Total operating charge	70	55

Analysis of pension finance income:

Expected return on pension scheme assets	(16)	(13)
Interest on pension liabilities	29	27
Pension finance income	13	14

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 £76,000 (2012: £81,000)

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

	2013	2012
	£'000	£'000
At 1 September	656	474
Current service cost	70	55
Employee contributions	20	19
Actuarial loss	17	81
Interest cost	29	27
At 31 August	792	656

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

	2013	2012
	£'000	£'000
At 1 September	301	204
Expected return on assets	16	13
Actuarial gain	22	1
Employer contributions	65	64
Employee contributions	20	19
Benefits paid	-	-
At 31 August	424	301

The estimated value of employer contributions for the year ended 31 August 2014 is £72,000.

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2013

24. Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

The five year history of experience adjustments is as follows:

	2013 £'000	2012 £'000
Present value of defined benefit obligations	(792)	(656)
Fair value of share of scheme assets	424	301
Deficit in the scheme	(368)	(355)
Experience adjustments on share of scheme assets		
Amount £'000	17	81
Experience adjustments on scheme liabilities		
Amount £'000	-	-

25. 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.

The Academy is deemed to be related to Unitycomm Limited by virtue of Mr S Ghent's majority interest.

Transactions with Unitycomm Limited totalling £1,500 relating to the purchase of telephone services took place during the year. There were no amounts outstanding at year end.

**WOODBROOK VALE SCHOOL
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INDEPENDENT AUDITOR'S REPORT

YEAR ENDED 31 AUGUST 2013

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

In accordance with the terms of our engagement letter dated 5 September 2011 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 Woodbrook Vale School during the period 1 September 2012 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 Woodbrook Vale School and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the 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 the 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 Limited'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 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 1 September 2012 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.

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.

**WOODBROOK VALE SCHOOL
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INDEPENDENT AUDITOR'S REPORT

YEAR ENDED 31 AUGUST 2013

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.

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 1 September 2012 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.

BAKER TILLY AUDIT LIMITED

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