

Mayflower High School
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the period ended
31 August 2012

Company registration number:
07692668 (England and Wales)

Mayflower High School

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Mayflower High School

REFERENCE AND ADMINISTRATIVE DETAILS

Governors (Trustees)	T Beal *	(Resigned 1 June 2012)
	L Brumby *	(Principal and Accounting Officer)
	A Butler *	
	D Coleman *	
	I Cousins	
	S Dawkins	(Chair)
	J Farry	
	G Harris *	
	A Hunt	(Appointed 28 February 2012)
	A Hunter *	
	P Mason	(Resigned 31 December 2011)
	I Mitchell *	
	J Pardon	
	T Stansfield *	(Resigned 31 August 2012)
	L Stephenson	(Responsible Officer)
L Whitworth		
J Worricker *		
S Wright		

* Members of the Finance Committee

Company secretary S Mason

Senior Management Team:

Headteacher	L Brumby
Deputy headteacher	B Mason
Deputy headteacher	J Williams
Business manager	D Knight

Principal and Registered Office
Mayflower High School
Stock Road
Billericay
Essex
CM12 0RT

Company Registration Number 07692668

Independent Auditor
Baker Tilly UK Audit LLP
Marlborough House
Victoria Road South
Chelmsford
Essex
CM1 1LN

Mayflower High School

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)

Bankers

Lloyds Bank
4 Station Road
Upminster
Essex
RM14 2UR

Solicitors

Stone King
16 St Johns' Lane
London
EC1M 4BS

Mayflower High School

GOVERNORS' REPORT

The governors present their annual report together with the financial statements and auditors' report of the charitable company for the period ended 31 August 2012.

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION

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

The governors act as the trustees for the charitable activities of Mayflower High School and are also the directors of the charitable company for the purposes of company law. The charitable company is known as Mayflower High School.

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

MEMBERS' LIABILITY

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

GOVERNOR'S INDEMNITY

In accordance with normal commercial practice the school has purchased insurance to protect governors from claims arising negligent acts, errors or omissions whilst on school business.

PRINCIPAL ACTIVITIES

The school's objectives are:

- a. to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum ("the Academy");
- b. to promote for the benefit of the inhabitants of Billericay and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF GOVERNORS

The members of the Academy Trust comprise:

- the Headteacher
- the Chair of the Governors
- the vice-chair of the Governors
- one person appointed by the Secretary of State, in the event that the Secretary of State appoints a person for this purpose; and
- members appointed under article 16 of the Articles of association.

Mayflower High School

GOVERNORS' REPORT (CONTINUED)

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF GOVERNORS (CONTINUED)

Each of the persons above entitled to appoint Members shall have the right from time to time by written notice delivered to the Office to remove any Member appointed by them and to appoint a replacement Member to fill a vacancy whether resulting from such removal or otherwise.

Any of the persons above are entitled to appoint Members:

- in the case of an individual, dying or becoming legally incapacitated;
- in the case of a corporate entity, ceasing to exist and not being replaced by a successor institution; or
- becoming insolvent or making any arrangement or composition with their creditors generally, their right to appoint Members under these Articles shall vest in the remaining Members.

Membership will terminate automatically if:

- a Member (which is a corporate entity) ceases to exist and is not replaced by a successor institution;
- a Member (which is an individual) dies or becomes incapable by reason of mental disorder, illness or injury of managing and administering his own affairs;
- a Member becomes insolvent or makes any arrangement or composition with that Member's creditors generally.

The Members may agree unanimously in writing to appoint such additional Members as they think fit and may unanimously (save that the agreement of the Member(s) to be removed shall not be required) in writing agree to remove any such additional Members.

Every person nominated to be a Member of the Academy Trust shall either sign a written consent to become a Member or sign the register of Members on becoming a Member.

Any Member may resign provided that after such resignation the number of Members is not less than three. A Member shall cease to be one immediately on the receipt by the Academy Trust of a notice in writing signed by the person or persons entitled to remove him under Articles 13 or 16 provided that no such notice shall take effect when the number of Members is less than three unless it contains or is accompanied by the appointment of a replacement Member.

GOVERNORS

As detailed in the Memorandum and Articles, the Academy Trust should have the following governors:

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

- a) up to 9 Governors, appointed under Article 50;
- b) a minimum of 2 and up to 7 Parent Governors appointed under Articles 53-58;
- c) up to 3 Staff Governors, subject to Article 50A;
- d) the Headteacher;
- e) any Additional Governors, if appointed under Article 62, 62A or 68A; and
- f) any Further Governors, if appointed under Article 63 or Article 68A.

APPOINTMENT OF GOVERNORS

The Members may appoint up to 9 Governors, subject to Article 50A.

The total number of Governors who are employees of the Academy Trust (including the Principal) must not exceed one third of the total number of Governors.

Mayflower High School

GOVERNORS' REPORT (CONTINUED)

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

Parent Governors are elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time when he is elected.

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

The Staff Governors shall be elected by staff members at the Academy. A Staff Governor must be a staff member at the time when he is elected. If a Staff Governor ceases to be a staff member then he shall be deemed to have resigned and shall cease to be a Governor.

The Governors may appoint up to 3 Co-opted Governors.

The Secretary of State may give a warning notice to the Governors where he is satisfied:

- that the standards of performance of pupils at the Academy are unacceptably low, or
- that there has been a serious breakdown in the way the Academy is managed or governed, or
- that the safety of pupils or staff of the Academy is threatened (whether by a breakdown of discipline or otherwise).

For these purposes 'warning notice' is a notice in writing by the Secretary of State to the Academy Trust delivered to the Office setting out:

- a. the matters referred to in Article 60 of our Articles of Association;
- b. the action which he requires the Governors to take in order to remedy those matters; and
- c. the period within which that action is to be taken by the Governors ('the compliance period').

The Secretary of State may also appoint such Additional Governors where following an Inspection by the Chief Inspector in accordance with the Education Act 2005 (an "Inspection") the Academy Trust receives an Ofsted grading (being a grade referred to in The Framework for School Inspection or any modification or replacement of that document for the time being in force) which amounts to a drop, either from one Inspection to the next Inspection or between any two Inspections carried out within a 5 year period, of two Ofsted grades. For the purposes of the foregoing the grade received by the Predecessor School shall be regarded as the grade received by the Academy.

The Secretary of State may also appoint such Further Governors as he thinks fit if a Special Measures Termination Event (as defined in the Funding Agreement) occurs in respect of the Academy.

Within 5 days of the Secretary of State appointing any Additional or Further Governors in accordance with Articles 62, 62A or 63, any Governors appointed under Article 50 and holding office immediately preceding the appointment of such Governors, shall resign immediately and the Members' power to appoint Governors under Article 50 shall remain suspended until the Secretary of State removes one or more of the Additional or Further Governors.

Mayflower High School

GOVERNORS' REPORT (CONTINUED)

RECRUITMENT AND TRAINING OF GOVERNORS

Governors are recruited based on the skills that they will bring to the Governing Body or based on a proposal to the Governing Body by representative groups. On appointment governors receive extensive information relating to the Trust and attend a briefing on the role and responsibilities of governors. During the year governors are offered training through school based and external courses. All governors are provided with copies of policies, procedures, minutes, financial statements, budgets, plans and other documents that they will need to undertake their role as governors.

ORGANISATIONAL STRUCTURE

All governors are members of the full board. In addition governors are members of committees who report to the full board. There are six governors committees: Curriculum, Chairs Liaison, Finance, Personnel, Premises and Pay Committee. The membership of committees is shown on page 1. There is an agreed terms of reference for each committee which is reviewed annually. The Academy Trust is responsible for the strategic direction and overall Trust management.

The day to day running of the school is delegated to the Headteacher, the leadership team and middle managers. The leadership team consists of the Headteacher, two Deputy Headteachers, Six Assistant Headteachers, Business Manager, SENCO and a co-opted member of staff.

RISK MANAGEMENT

The governors have assessed the major risks to which the Trust is exposed. In particular those related to the operations and finances of the Trust, and are satisfied that systems and controls are in place to mitigate any exposure to major risks.

STATEMENT ON THE SYSTEM OF INTERNAL FINANCE CONTROL

The governors acknowledge their overall responsibility for ensuring that the Trust has an effective and appropriate system of control, financial and otherwise. They are also responsible for keeping formal accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure the financial statements comply with the relevant Companies Act. They also acknowledge responsibility for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- The Trust is operating efficiently and effectively,
- Its assets are safeguarded against unauthorised use or disposition,
- Correct records are maintained and financial information used within the Trust or for publication is reliable,
- The Trust complies with the relevant laws and regulations

The 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 regular financial reports, which are reviewed and agreed by the Finance Committee, who report to the Governing Body.
- Regular reviews by the Finance Committee of reports, which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes,
- Setting targets to measure financial and other performance,
- Clearly defined purchasing guidelines,
- Delegation of authority and segregation of duties,
- Identification and management of risks.

Mayflower High School

GOVERNORS' REPORT (CONTINUED)

STATEMENT ON THE SYSTEM OF INTERNAL FINANCE CONTROL (CONTINUED)

The Governing Body nominates an appropriately experienced governor to act as a responsible officer and report to the Finance Committee on weaknesses in internal financial controls. The responsible officer reported no material weaknesses in the year to 31 August 2012.

CONNECTED ORGANISATIONS

The academy is a partner of the Billericay Community Trust - The headline for Trust is as follows:
Uniting Schools and Community in the pursuit of Excellence.

Billericay Community Trust (BCT) is a registered charity and supports the needs of the 15 schools in Billericay as well as the community at large - the BCT fund the following areas: Home School Liaison, Educational Psychologists, Traded Services, Speech and Language, Emotional Wellbeing, Community Projects, Attendance, Curriculum Cluster Groups, Parent Teacher Support.

AIMS, OBJECTIVES AND ACTIVITIES

Aims

The Governing Body's vision is to be recognised as outstanding and:

- To create and sustain a caring, positive and stimulating learning environment.
- To realise the maximum learning potential of all students, academically, socially and spiritually and to celebrate their achievements.
- To encourage self-esteem, respect for others and for the world in which we live.
- To promote and develop an effective partnership with our community.

On a daily basis the school's commitment towards this vision can be seen through:

- Strong, supportive and professional leadership at all levels.
- High standards and expectations, underpinned by care and support for each individual.
- A clear focus on teaching and learning, achievement and standards that can be measured by results and examinations.
- Well-kept and maintained buildings and facilities.
- Confident, qualified and articulate young people personally motivated to undertake the next stage of their development.

OBJECTIVES FOR THE YEAR

The objectives for the year were:

Pupil Achievement

- 1.1 To continue to raise standards of attainment across all key stages
- 1.2 To enhance the consistency of pupil monitoring and tracking
- 1.3 To enhance awareness and ensure consistency of report grades across all key stages
- 1.4 To develop careers information and guidance
- 1.5 To review and evaluate the curriculum at KS4

Quality of Teaching

- 2.1 To develop further the school self-evaluation process
- 2.2 To improve the teaching and learning in all key stages
- 2.3 To ensure the effective monitoring of teaching and learning by middle leaders
- 2.4 To prepare for Ofsted inspection
- 2.5 To enhance the provision for literacy and numeracy across the curriculum
- 2.6 To review and further develop SEN provision to raise achievement
- 2.7 To monitor, review and develop homework to enhance learning

Mayflower High School

GOVERNORS' REPORT (CONTINUED)

OBJECTIVES FOR THE YEAR (CONTINUED)

Pupil Behaviour & Safety

- 3.1 To introduce the Behaviour Watch system
- 3.2 To continue to raise the profile of the student voice
- 3.3 To review and evaluate Behaviour for Learning strategies

Human Resources

- 4.1 To embed and evaluate the Well Being programme
- 4.2 To review and develop the performance management system for all staff
- 4.3 To prepare for and achieve Investors in People re-designation
- 4.4 To introduce training programmes for Recently Qualified Teachers (RQTs) and Middle Leaders

Physical Resources

- 5.1 To introduce the new VLE
- 5.2 To review and enhance ICT infrastructure
- 5.3 To enhance the learning of students through increased use of ICT
- 5.4 To enhance the built environment to maximise learning opportunities

STRATEGIES TO ACHIEVE THE YEAR'S OBJECTIVES

The Trust produced detailed development plans for the year ended 31 August 2012. These are the School Improvement Plan for activities across the school. The plans form the basis for review of the achievement of objectives against the plan.

PUBLIC BENEFIT

The Academy Trust Governors have complied with their duty to have due regard to the guidance on public benefit published by the Charities Commission, in exercising their powers and duties.

ACHIEVEMENTS AND KEY PERFORMANCE INDICATORS

The period 1 August 2011 to 31 August 2012 was the school's first period of operation with Academy Status and Mayflower High School continues to be a high achieving school and the student's progress and attainment at the school are considered good to outstanding.

The percentage of students gaining five or more GCSE passes at grade A*-C and the A Level average points score is the highest in the school's history. In January 2012 Ofsted judged Mayflower High School to be a good school with outstanding features.

Mayflower High School's 2012 Examination Results:

GCSE

- 5+ A*-C GCSE 85%
- 5+ A*-C GCSE (inc En & Ma) 67%
- 5+ A*-G GCSE 98%
- EBACC 25%
- A*-A entries 30%
- A*-B entries 61%
- A*-C English 82%
- A*-C Mathematics 72%
- A*-C Science 72%

Mayflower High School

GOVERNORS' REPORT (CONTINUED)

ACHIEVEMENTS AND KEY PERFORMANCE INDICATORS (CONTINUED)

A Level

Average Points Score 358 (QCA = 889)

A*-B grades 58%

A*-E grades 100%

The academy is in a strong financial position but remains mindful of future decreases in funding. The budget is set in order to maximise funds received and provide the best education for the students. Since becoming an academy it has been possible to make significant improvements to the site in order to enhance the learning environment.

GOING CONCERN

After making appropriate enquiries the Governing Body has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future which is at least 12 months from the date of approval of the financial statements. For this reason the going concern basis has been adopted in preparing the financial statements.

FINANCIAL REVIEW

The academy generates most of its funding from the Education Funding Agency through the General Annual Grant (GAG) and Local Authority Central Spending Equivalent Grant (LACSEG). Special Educational Needs (SEN) is still allocated through the Local Authority. In addition the academy raises funds through activities such as catering and use of facilities.

The school has not been successful in securing capital bids.

PRINCIPAL RISKS AND UNCERTAINTIES

Risk management is embedded in the work of the school. The principal risk facing the school is uncertainty over our future funding levels beyond 2012/13. Once our funding for 2012/13 is confirmed the school will embark on a strategic review that will evaluate how the school can best deliver our core-business of raising attainment at all levels.

RESERVES POLICY

The school is required to consider what level of reserves it is appropriate for the school to hold in order to demonstrate appropriate financial management, stewardship and sustainability. The governing body wish to do this to provide assurance to all the schools' stakeholders that the school is being managed in a prudent manner for the best interest of its beneficiaries. The governing body also wants to provide confidence that there is a strong justification for the reserves held by the school, and that they wish to be open and transparent on all aspects concerning the schools' reserves policy. In doing this, the school has considered the following areas:

Working capital

The schools' cash flow is strong due to the profile of its incoming resources. In particular receipt of core grant funding at the start of the financial year means that reserves are not required for working capital purposes.

Financial risk management

All schools are subject to a wide range of risks, many of which have financial implications 'Rainy day' funds are appropriate to be held as mitigation against the effect of such risks. The school has a formalised approach to risk management which identifies major risks, assesses their severity in terms of impact and likelihood and identifies mitigating actions. The financial risks that are mitigated by the holding of reserves include variability of income, variability of expenditure and the risks identified as serious, major or critical that have financial significance.

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GOVERNORS' REPORT (CONTINUED)

RESERVES (CONTINUED)

The schools' policy for reserves is linked to and part of its formal consideration of the schools' going concern presumption. The governors annually consider the level of reserves is appropriate for the school to hold in order to demonstrate appropriate financial management and sustainability.

At the balance sheet date, the charitable company had free reserves of £575,556.

INVESTMENT POLICY

The Academy's aim is to spend the public monies with which we are entrusted for the direct educational benefit of students as soon as is prudent. The school does not consider the investment of surplus funds as a primary activity, rather it is the result of good financial management as and when circumstances allow.

During the year funds surplus to requirements were transferred to alternative interest bearing accounts in order to maximise income. The Governing Body is mindful of the need to maximise income however will ensure that funds are invested in such a way that there is minimum risk.

AUDITORS

The auditors, Baker Tilly UK Audit LLP, were appointed as auditors to the company during the period, and have indicated their willingness to continue in office.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

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

Approved by order of the Governing Board at its meeting on 10 December 2012 and signed on its behalf by:



S Dawkins
Chair

Mayflower High School

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The Governing Body has delegated the day-to-day responsibility to the Principal, 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 Mayflower High School and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Governing Body, either as a committee or the full board, has formally met 4 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

GOVERNOR	MEETINGS ATTENDED	OUT OF POSSIBLE
T Beal	3	3
L Brumby	4	4
A Butler	4	4
D Coleman	2	4
I Cousins	4	4
S Dawkins	4	4
J Farry	4	4
G Harris	4	4
A Hunt	2	2
A Hunter	4	4
P Mason	2	2
I Mitchell	3	4
J Pardon	4	4
T Stansfield	1	4
L Stephenson	4	4
L Whitworth	4	4
J Worricker	2	4
S Wright	3	4

Mayflower High School

GOVERNANCE STATEMENT

GOVERNANCE (CONTINUED)

The Finance Committee is a sub-committee of the main Governing Body. Its purpose is to challenge all financial aspects of the school, approve expenditure as delegated through the Financial Regulations and ensure maintenance of the Estate and monitor compliance to all Health & Safety regulations.

GOVERNOR	MEETINGS ATTENDED	OUT OF POSSIBLE
T Beal	4	4
L Brumby	4	5
A Butler	4	5
D Coleman	3	5
G Harris	5	5
A Hunter	5	5
I Mitchell	4	5
T Stansfield	1	5
J Worricker	3	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 Mayflower High School for the period ended 31 August 2012 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Governing Body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period ending 31 August 2012 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

THE RISK AND CONTROL FRAMEWORK

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

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

Mayflower High School

GOVERNANCE STATEMENT

THE RISK AND CONTROL FRAMEWORK (CONTINUED)

The Governing Body has appointed Mrs Linda Stephenson as the Governing Body Responsible Officer (RO). However the governors have appointed Baker Tilly to carry out independent checks in the role of Responsible Officer. These checks take place on a termly basis and reports on the operation of the systems of control and the discharge of the Governing Body's responsibilities are received by the Finance Committee. The RO function has been fully delivered in line with the EFA's requirements.

No material control issues have been noted throughout the period.

REVIEW OF EFFECTIVENESS

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

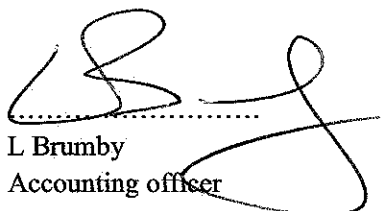
- The work of the Responsible Officer
- The work of the external auditor
- The financial management and governance self-assessment process
- The work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the Governing Body on 10 December 2012 and signed on its behalf by:



S Dawkins
Chair



L Brumby
Accounting officer

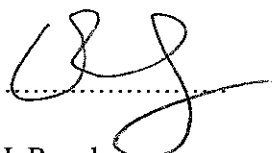
Mayflower High School

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Mayflower High School Academy Trust I have considered my responsibility to notify the Academy Trust Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State. As my part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the Academy Trust Governing Body are able to identify any 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 except for two ex gratia payments in the period totalling £11,000 which were made to members of staff without prior consent of the Secretary of State as required under the Funding Agreement. Retrospective consent for this payment is being sought.



L Brumby
Accounting Officer

Mayflower High School

STATEMENT OF GOVERNORS' RESPONSIBILITIES

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

Company law requires the governors to prepare financial statements for each financial year. Under company law the governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of its incoming resources and application of resources, including its income and expenditure for that period. In preparing these financial statements, the governors are required to:


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

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

The governors are responsible for ensuring that in its conduct and operation the Charitable Company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the EFA/DfE have been applied for the purposes intended.

The governors are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the governing body on and signed on its behalf by:



S Dawkins

Chair

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MAYFLOWER HIGH SCHOOL

We have audited the financial statements of Mayflower High School for the period ended 31 August 2012 on pages 18 to 41. 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 2011/12 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 GOVERNORS' AND AUDITORS

As explained more fully in the Statement of Governors' Responsibilities set out on page 15, the governors (who act as trustees for the charitable activities of the company, and are also the directors of the 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 APB's website at www.frc.org.uk/apb/scope/private.cfm.

OPINION ON THE 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 2012 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the Companies Act 2006; and
- have been prepared in accordance with the Academies: Accounts Direction 2011/12 issued by the Education Funding Agency.

OPINION ON OTHER REQUIREMENT OF THE COMPANIES ACT 2006

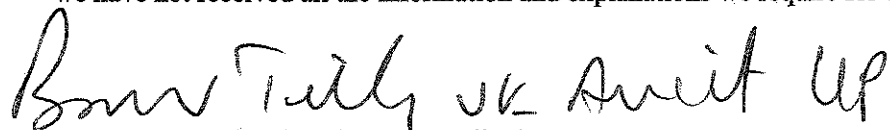
In our opinion the information given in the Governors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
MAYFLOWER HIGH SCHOOL (CONTINUED)

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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 governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



DAVID BARDELL (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Marlborough House

Victoria Road South

Chelmsford

Essex

CM1 1LN

27/12/12

Mayflower High School

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES)

For the period ended 31 August 2012

	Notes	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total 2012 £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income	2	310,040	-	-	310,040
Voluntary income - transfer from local authority on conversion	25	438,734	(2,043,000)	9,349,842	7,745,576
Activities for generating funds	3	473,637	-	-	473,637
Investment income	4	2,588	-	-	2,588
Income from charitable activities					
Academy's educational operations	5	-	8,713,328	90,665	8,803,993
TOTAL INCOMING RESOURCES		1,224,999	6,670,328	9,440,507	17,335,834
RESOURCES EXPENDED					
Cost of generating funds:					
Costs of generating voluntary income	6	293,891	-	-	293,891
Costs of activities for generating funds	6	320,831	-	-	320,831
Charitable activities:					
Academy's educational operations	7	15,751	8,866,853	364,967	9,247,571
Governance costs	8	-	51,580	-	51,580
TOTAL RESOURCES EXPENDED		630,473	8,918,433	364,967	9,913,873
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS					
Gross transfers between funds	15	(18,970)	67,105	(48,135)	-
NET INCOME/(EXPENDITURE) FOR THE PERIOD		575,556	(2,181,000)	9,027,405	7,421,961
OTHER RECOGNISED GAINS AND LOSSES					
Actuarial losses on defined benefit pension schemes	15, 23	-	(365,000)	-	(365,000)
NET MOVEMENT IN FUNDS		575,556	(2,546,000)	9,027,405	7,056,961

Mayflower High School

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES) (CONTINUED)

For the period ended 31 August 2012

		Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total 2012 £
NET MOVEMENT IN FUNDS		575,556	(2,546,000)	9,027,405	7,056,961
RECONCILIATION OF FUNDS					
Total funds brought forward at 4 July 2011		-	-	-	-
TOTAL FUNDS CARRIED FORWARD AT 31 AUGUST	16	<u>575,556</u>	<u>(2,546,000)</u>	<u>9,027,405</u>	<u>7,056,961</u>

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

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

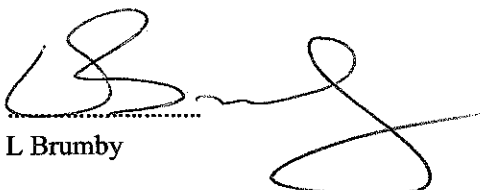
Mayflower High School

BALANCE SHEET

31 August 2012

	<i>Notes</i>	2012 £	2012 £
FIXED ASSETS			
Tangible assets	12		9,010,527
CURRENT ASSETS			
Debtors	13	193,733	
Cash at bank and in hand		1,027,911	
		<u>1,221,644</u>	
CREDITORS: Amounts falling due within one year	14	<u>(629,210)</u>	
NET CURRENT ASSETS			<u>592,434</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>9,602,961</u>
NET ASSETS EXCLUDING PENSION LIABILITY			<u>9,602,961</u>
Pension Scheme Liability	23		<u>(2,546,000)</u>
NET ASSETS INCLUDING PENSION LIABILITY			<u><u>7,056,961</u></u>
THE FUNDS OF THE ACADEMY TRUST:			
RESTRICTED FUNDS			
Fixed asset fund	15		9,027,405
Standard funds	15		-
Restricted funds excluding pension reserve			<u>9,027,405</u>
Pension reserve	15		<u>(2,546,000)</u>
TOTAL RESTRICTED FUNDS			<u><u>6,481,405</u></u>
TOTAL UNRESTRICTED FUNDS	15		<u>575,556</u>
TOTAL FUNDS			<u><u>7,056,961</u></u>

The financial statements on pages 18 to 41 were approved by the governors and authorised for issue on 10 December 2012 and are signed on their behalf by:


L Brumby

Mayflower High School
CASH FLOW STATEMENT
For the period ended 31 August 2012

	<i>Notes</i>	2012 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	18	702,537
Returns on investments and servicing of financing	19	2,588
Capital expenditure	20	(178,159)
Cash transferred on conversion to an academy trust	19A	500,945
INCREASE IN CASH IN THE PERIOD	21	<u>1,027,911</u>
RECONCILIATION OF NET CASH INFLOW TO MOVEMENT IN NET FUNDS		
NET FUNDS AT 4 JULY 2011		-
Increase in cash in the period		<u>1,027,911</u>
NET FUNDS AT 31 AUGUST 2012		<u><u>1,027,911</u></u>

Mayflower High School

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 Statement of Recommended Practice: 'Accounting and Reporting by Charities' ('SORP 2005'), the Academies: Accounts Direction 2011/12 issued by the EFA and Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

GOING CONCERN

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

INCOMING RESOURCES

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

GRANTS RECEIVABLE

Fixed asset 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. The general annual grant ('the GAG') from the DfE, which is intended to meet recurrent costs, is credited directly to the Statement of Financial Activities. 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.

DONATIONS

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

OTHER INCOME

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

INTEREST RECEIVABLE

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

FUND ACCOUNTING

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

Restricted General funds are resources subject to specific restrictions imposed by funders or donors, and include grants from the Education Funding Agency and the Department for Education.

Restricted Fixed Assets Funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency and the Department for Education, where the asset acquired or created is held for a specific purpose.

Mayflower High School

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 to each activity cost category on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities are costs incurred on the Academy Trust's educational operations.

Governance costs include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management and Governors' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

TANGIBLE FIXED ASSETS

Tangible fixed assets costing £5,000 or more are capitalised at cost 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 a 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.

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:

Freehold buildings	Over 20 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 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 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.

Mayflower High School

ACCOUNTING POLICIES (CONTINUED)

LEASED ASSETS

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

PENSION 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 are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 23, the TPS is a multi employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

CONVERSION TO AN ACADEMY TRUST

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

The assets and liabilities transferred on conversion from the maintained school Mayflower High School to an Academy Trust have been valued at their fair value being a reasonable estimate of the current market value that the governors would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for Mayflower High School. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income in as a gift in the SOFA and analysed under unrestricted, restricted general and restricted fixed assets funds. Further details of the transaction are set out in note 25.

AGENCY ARRANGEMENTS

The Academy Trust acts as an agent in the administering of 16-19 Bursary Funds from the EFA. Related payments received from the EFA and subsequent disbursements to students are excluded from the statement of financial activities to the extent that the Academy Trust does not have a beneficial interest in the individual transactions. The allowance of 5% as a contribution to administration costs is however recognised in the statement of financial activities. Where funds have not been fully applied in the year then an amount will be included as amounts due to the EFA.

Mayflower High School

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 August 2012

1	GENERAL ANNUAL GRANT (GAG)		2012	
	a) Results and carry forward for the period		£	
	GAG brought forward from previous period		-	
	GAG allocation for current period		8,261,897	
	TOTAL GAG AVAILABLE TO SPEND		<u>8,261,897</u>	
	Recurrent expenditure from GAG		(8,261,897)	
	Fixed assets purchased from GAG		-	
	GAG CARRIED FORWARD TO NEXT YEAR		<u>-</u>	
	Maximum permitted GAG carry forward at end of current period (12% of allocation for current period)		<u>991,428</u>	
	GAG TO SURRENDER TO DfE (12% rule breached if result is positive)		<u>-</u>	
			no breach	
	b) Use of GAG brought forward from previous period for recurrent purposes (of the amount carried forward each period, a maximum of 2% of GAG can be used for recurrent purposes. Any balance, up to a maximum of 12%, can only be used for capital purposes)			
	Recurrent expenditure from GAG in current period		(8,261,897)	
	GAG allocation for current period		8,261,897	
	GAG allocation for previous period x 2%		-	
	GAG brought forward from previous period in excess of 2% used on recurrent expenditure in current period (2% rule breached if result is positive)		-	
			<u>no breach</u>	
2	VOLUNTARY INCOME			
		Restricted	Restricted	
		general	fixed asset	Total
	Unrestricted	funds	funds	2012
	funds	funds	funds	£
	£	£	£	
	Other donations	310,040	-	310,040
		<u>310,040</u>	<u>-</u>	<u>310,040</u>
		<u>310,040</u>	<u>-</u>	<u>310,040</u>

Mayflower High School

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 August 2012

3 ACTIVITIES FOR GENERATING FUNDS	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total 2012 £	
Catering - income	240,842	-	-	240,842	
Class sales	21,136	-	-	21,136	
Photocopying	3,043	-	-	3,043	
Vending machine	10,552	-	-	10,552	
Music tuition	7,598	-	-	7,598	
Exam fees	17,775	-	-	17,775	
Course fees & community sales	55,914	-	-	55,914	
Rentals income	5,180	-	-	5,180	
Lettings income	87,380	-	-	87,380	
Student books sales	6,634	-	-	6,634	
Uniform	16,931	-	-	16,931	
Other income	652	-	-	652	
	<u>473,637</u>	<u>-</u>	<u>-</u>	<u>473,637</u>	
4 INVESTMENT INCOME		Unrestricted funds £	Restricted funds £	Total 2012 £	
Short term deposits		2,588	-	2,588	
		<u>2,588</u>	<u>-</u>	<u>2,588</u>	
5 FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS		Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total 2012 £
DfE/EFA REVENUE GRANTS					
General annual grant (GAG) (note 1)	-	8,261,897	-	-	8,261,897
Start up grants	-	25,000	-	-	25,000
Other DfE/EFA grants	-	159,708	-	-	159,708
	<u>-</u>	<u>8,446,605</u>	<u>-</u>	<u>-</u>	<u>8,446,605</u>
OTHER GOVERNMENT GRANTS					
School standards fund	-	32,445	-	-	32,445
Local Authority grants	-	-	90,665	-	90,665
Special educational projects	-	234,278	-	-	234,278
	<u>-</u>	<u>266,723</u>	<u>90,665</u>	<u>-</u>	<u>357,388</u>
	<u>-</u>	<u>8,713,328</u>	<u>90,665</u>	<u>-</u>	<u>8,803,993</u>

Mayflower High School

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 August 2012

6 RESOURCES EXPENDED

	Staff costs	Non pay expenditure		Total
	£	Premises £	Other costs £	2012 £
Costs of generating voluntary income	293,891	-	-	293,891
Costs of activities for generating funds	147,259	-	173,572	320,831
Academy's education operations				
Direct costs	6,036,646	-	781,013	6,817,659
Allocated support costs	1,127,418	870,039	366,918	2,364,375
	<u>7,605,214</u>	<u>870,039</u>	<u>1,321,503</u>	<u>9,796,756</u>
Governance costs including allocated support costs	-	-	51,580	51,580
	<u>7,605,214</u>	<u>870,039</u>	<u>1,373,083</u>	<u>9,848,336</u>
Net incoming/(outgoing) resources for the period				2012 £
Operating leases - plant and machinery				10,381
- other				-
Fees payable to Baker Tilly UK Audit LLP and its associates for:				
- audit				8,000
- other services				2,000

Mayflower High School

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 August 2012

7 CHARITABLE ACTIVITIES - ACADEMY'S EDUCATION OPERATIONS

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	2012 £
DIRECT COSTS				
Teaching and educational support staff	-	6,036,646	-	6,036,646
Educational supplies	-	359,334	-	359,334
Educational visits	-	3,098	-	3,098
Examination fees	-	154,585	-	154,585
Staff development	-	26,789	-	26,789
Educational consultancy	-	105,923	-	105,923
Other finance cost - pension	-	112,000	-	112,000
Other direct costs	-	19,284	-	19,284
	-	6,817,659	-	6,817,659
ALLOCATED SUPPORT COSTS				
Support staff costs	-	1,127,418	-	1,127,418
Depreciation	-	-	364,967	364,967
Maintenance of premises and equipment	-	513,297	-	513,297
Cleaning	-	21,007	-	21,007
Rent and rates	-	150,355	-	150,355
Insurance	-	72,744	-	72,744
Legal & professional	-	65,537	-	65,537
Security and transport	-	14,580	-	14,580
PPS and telephone	-	58,839	-	58,839
Trips	-	-	-	-
Bank interest and charges	-	110	-	110
Other support costs	15,751	25,307	-	41,058
	15,751	2,049,194	364,967	2,429,912
	15,751	8,866,853	364,967	9,247,571

Mayflower High School

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 August 2012

8 GOVERNANCE COSTS	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	2012 £
Legal and professional fees	-	37,273	-	37,273
Auditors' remuneration				
Audit of financial statements	-	8,000	-	8,000
Other services	-	6,307	-	6,307
Support costs	-	-	-	-
	<u>-</u>	<u>51,580</u>	<u>-</u>	<u>51,580</u>

9 STAFF COSTS	2012 £
Staff costs during the period were:	
Wages and salaries	5,907,185
Social security costs	435,537
Pension costs	872,762
	<u>7,215,484</u>
Supply teacher costs	90,907
Compensation payments	11,000
	<u>7,317,391</u>

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

	2012 No.
Teachers	93
Support	117
Management	10
	<u>220</u>

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

£60,001 - £70,000	13
£70,001 - £80,000	1
£90,001 - £100,000	2
£130,000 - £140,000	1
	<u>17</u>

Sixteen of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2012, pension contributions for these staff amounted to £144,833. The other employees participated in the Local Government Pension Scheme, pension contributions amounted to £7,070.

Mayflower High School

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 August 2012

10 GOVERNORS' REMUNERATION AND EXPENSES

Principal and staff governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff governors and not in respect of their services as governors. Other governors did not receive any payments from the Academy Trust in respect of their role as governors. The value of the Principal's remuneration was £130,950 in 2012. The value of the staff governor's remuneration was £Nil.

During the period ended 31 August 2012, travel and subsistence expenses totalling £77 were reimbursed to governors.

Related party transactions involving the trustees are set out in note 24.

11 GOVERNORS' AND OFFICERS INSURANCE

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £250,000 on any one claim and the cost for the period ended 31 August 2012 was £Nil.

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

Mayflower High School

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 August 2012

12 TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Plant & machinery £	Total £
COST			
4 July 2011	-	-	-
Transfer on conversion (note 25)	9,288,000	-	9,288,000
Additions	-	87,494	87,494
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
31 August 2012	9,288,000	87,494	9,375,494
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
1 September 2011	-	-	-
Charge for the period	356,742	8,225	364,967
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
31 August 2012	356,742	8,225	364,967
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
31 August 2012	8,931,258	79,269	9,010,527
	<hr/>	<hr/>	<hr/>

Included in freehold land and buildings is £2,702,000 of land which is not depreciated.

13 DEBTORS

	2012 £
Trade debtors	2,348
Other debtors	109,201
Prepayments	82,184
	<hr/>
	193,733
	<hr/>

Mayflower High School

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 August 2012

14 CREDITORS: Amounts falling due within one year	2012 £
Trade creditors	77,521
Other taxation and social security	218,959
Other creditors	3,750
Accruals and deferred income	328,980
	<hr/>
	629,210
	<hr/> <hr/>
Deferred income	2012 £
Deferred income at 4 July 2011	-
Resources deferred in the period	61,756
Amounts released from previous period	-
	<hr/>
Deferred income at 31 August 2012	61,756
	<hr/> <hr/>

Deferred income has arisen due to amounts received in advance for the following services; letting of property, lunch money, community fees and music fees. In addition Bursary funds relating to next year have been deferred in full.

Mayflower High School
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 31 August 2012

15 FUNDS

	At 4 July 2011 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	At 31 August 2012 £
RESTRICTED GENERAL FUNDS					
General Annual Grant (GAG)	-	8,261,897	(8,323,744)	61,847	-
Pension reserve	-	(2,043,000)	(138,000)	(365,000)	(2,546,000)
Start up grant	-	25,000	(25,000)	-	-
Other DfE/EFA grants	-	393,986	(393,986)	-	-
Standards fund	-	32,445	(32,445)	-	-
School fund	-	-	(5,258)	5,258	-
	-	6,670,328	(8,918,433)	(297,895)	(2,546,000)
RESTRICTED FIXED ASSET FUNDS					
DfE capital grants	-	90,665	-	(73,787)	16,878
Inherited local authority capital grants	-	61,842	-	(61,842)	-
Inherited fixed assets	-	9,288,000	(356,742)	-	8,931,258
Capital expenditure since conversion	-	-	(8,225)	87,494	79,269
	-	9,440,507	(364,967)	(48,135)	9,027,405
TOTAL RESTRICTED FUNDS	-	16,110,835	(9,283,400)	(346,030)	6,481,405
UNRESTRICTED FUNDS					
Unrestricted funds	-	1,224,999	(630,473)	(18,970)	575,556
TOTAL UNRESTRICTED FUNDS	-	1,224,999	(630,473)	(18,970)	575,556
TOTAL FUNDS	-	17,335,834	(9,913,873)	(365,000)	7,056,961

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

The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to the academy via the EFA by the DfE. The GAG fund has been set up because the GAG must be used for the normal running costs of the academy. The academy is allowed to carry forward up to 12% of the current GAG, and of the carried forward amount, up to 2% of the GAG can be used for general purposes at the discretion of the academy, but any balance over 2% must be used for capital purposes.

The LGPS Deficit Fund has been created to separately identify the pension deficit inherited from the local authority upon conversion to academy status, and through which all the pension scheme movements are recognised.

The Academy Start Up Fund has been created to recognise the restricted grant funding received from the DfE to assist with the costs incurred by the school during the process on conversion to academy status. The overspend on this fund has been covered by the GAG.

Mayflower High School

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 August 2012

15 FUNDS (CONTINUED)

The other government grants fund has been created to recognise the restricted grant funding received from the local authority to be used for the purpose of specific projects and assisting with the education of children whom require special assistance when it comes to learning.

The Inherited Fixed Assets Fund has been set up to recognise the tangible assets gifted to the academy upon conversion by the local authority which represent the school site inherited from the local authority including the freehold land and buildings and all material items of plant and machinery included therein. Depreciation charged on those inherited assets is allocated to the fund.

The DfE and local authority capital grant fund represents the total amount of capital grants received. The monies spent on fixed assets and refurbishment works are therefore allocated to this fund. Depreciation charge on the fixed asset purchases is allocated to the fund. The transfer into the GAG represents the amount of revenue expenditure that was incurred through using the capital grants received. The fund balance carried forward represent the carrying value of the fixed assets purchased using the capital grants received, together with the value of capital grants unspent by the reporting date.

The Standards fund has been set up to recognise the restricted funding received from the Local Education Authority in support of the specialist school status of the academy trust's educational operations for the remainder of the financial period.

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted general funds	Restricted fixed asset funds	Total 2012
	£	£	£	£
Tangible fixed assets	-	-	9,010,527	9,010,527
Current assets	575,556	629,210	16,878	1,221,644
Current liabilities	-	(629,210)	-	(629,210)
Pension scheme liability	-	(2,546,000)	-	(2,546,000)
TOTAL NET ASSETS	575,556	(2,546,000)	9,027,405	7,056,961

17 FINANCIAL COMMITMENTS

OPERATING LEASES

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

	2012
	£
Other:	
Expiring within one year	9,476
Expiring within two and five years inclusive	-
Expiring in over five years	-
	<u>9,476</u>

Mayflower High School

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 August 2012

18	RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2012 £
	Net income	7,421,961
	Cash impact of transfer on conversion (note 25)	(7,745,576)
	Depreciation	364,967
	Capital grants from DfE and others	90,665
	Interest receivable	(2,588)
	FRS 17 pension cost less contributions payable (note 23)	26,000
	FRS 17 pension finance income (note 23)	112,000
	Increase in debtors	(158,506)
	Increase in creditors	593,614
	NET CASH INFLOW FROM OPERATING ACTIVITIES	<u>702,537</u>
19	RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	
	Interest received	2,588
	NET CASH INFLOW FROM RETURNS ON INVESTMENT AND SERVICING OF FINANCE	<u>2,588</u>
19A	CASH TRANSFERRED ON CONVERSION TO AN ACADEMY	2012 £
	Cash balance transferred on conversion (Note 25)	<u>500,945</u>
20	CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	
	Capital grants from DfE/EFA	90,665
	Capital expenditure	87,494
	NET CASH OUTFLOW FROM CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	<u>178,159</u>

Mayflower High School

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 August 2012

21 ANALYSIS OF CHANGES IN NET FUNDS	At 4 July 2011 £	Acquisition £	Cash flows £	At 31 August 2012 £
Cash at bank and in hand	-	500,576	527,335	1,027,911
Debt	-	-	-	-
	<u>-</u>	<u>500,576</u>	<u>527,335</u>	<u>1,027,911</u>

22 MEMBERS' LIABILITY

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

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. These are centralised schemes for certain qualifying employees with the assets held in a separate fund administered by the trustees the respective pension schemes.

As described in note 25, the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to and did join the Scheme in the year/period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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 period.

Mayflower High School

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 August 2012

23 PENSION AND SIMILAR OBLIGATIONS (CONTINUED)

Teachers' Pension Scheme

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

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

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

Following the implementation of Teacher's Pension (Employer' Supplementary Contribution) Regulations 2000, the Government Actuary carried out a further review on the level of employer contributions. For the period from 1 September 2011 to 31 August 2012 the employer contribution was 14.1 per cent. The employee rate was 6.4% for the same period.

Under the definitions set out in Financial 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 period ended 31 August was £349,000, of which employer's contributions totalled £262,000 and employees' contribution totalled £87,000. The agreed rates for future years are 12.3 per cent for employers and between 5.5 and 7.5 per cent for employees.

Mayflower High School

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 August 2012

23 PENSION AND SIMILAR OBLIGATIONS (CONTINUED)

Principal actuarial assumptions

	2012 %
Rate of increase in salaries	3.7
Rate of increase for pensions in payment	1.9
Discount rate	3.9
Inflation (CPI)	1.9

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

	2012 Years
Retiring today:	
Males	22.7
Females	25.3
Retiring in 20 years:	
Males	24.1
Females	26.8

The Academy Trust's share of the assets and liabilities in the scheme and the expected rate of return were:

	Expected return at 31 August 2012 %	Fair value at 31 August 2012 £'000	2012 %
Equities	5.9	344	68.0
Gilts	2.8	30	5.9
Other bonds	3.9	46	9.1
Property	4.9	66	13.0
Cash	0.5	20	4.0
TOTAL MARKET VALUE OF ASSETS		506	
Present value of scheme liabilities			
- Funded		(3,052)	
DEFICIT IN THE SCHEME		(2,546)	

The actual return on the scheme assets was £25,000

Mayflower High School

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 August 2012

23 PENSION AND SIMILAR OBLIGATIONS (CONTINUED)

Amounts recognised in the statement of financial activities	2012 £'000
Current service cost (net of employee contributions)	288
Past service cost	-
	<hr/>
Total operating charge	288
	<hr/> <hr/>
Analysis of pension finance income/(costs)	
Expected return on pension scheme assets	21
Interest on pension liabilities	(133)
	<hr/>
Pension finance costs	(112)
	<hr/> <hr/>

The actuarial gains and losses for the current year are recognised in the SOFA.

The cumulative amount of actuarial gains and losses recognised in the statement of recognised gains and losses since the adoption of FRS17 is £365,000

Movements in the present value of defined benefit obligations were as follows:	2012 £'000
On conversion to an Academy Trust	2,188
Current service cost	288
Interest cost	133
Employee contributions	87
Actuarial (gain)/loss	369
Benefits paid	(13)
	<hr/>
At 31 August	3,052
	<hr/> <hr/>

Mayflower High School

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 August 2012

23 PENSION AND SIMILAR OBLIGATIONS (CONTINUED)

	2012 £'000
Movements in the fair value of Academy Trust's share of scheme assets:	
On conversion to an academy trust	145
Expected return on assets	21
Actuarial gain	4
Employer contributions	262
Employee contributions	87
Benefits paid	(13)
	<hr/>
At 31 August	506
	<hr/> <hr/>

The estimated value of employer contributions for the year ended 31 August 2013 is £259,000

Amounts for the period:

	2012 £'000
Present value of defined benefit obligations	(3,052)
Fair value of share of scheme assets	506
	<hr/>
Deficit in the scheme	(2,546)
	<hr/> <hr/>

Experience adjustments on share of scheme assets
Amount £'000

4

Experience adjustments on scheme liabilities:
Amount £'000

-

Mayflower High School

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 August 2012

24 RELATED PARTIES

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

25 CONVERSION TO AN ACADEMY TRUST

On 1 August 2011 the Mayflower High School converted to Academy Trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Mayflower High School from the Essex County Council for £nil consideration.

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

Voluntary income/ other resources expended analysis:

	TOTAL	Unrestricted	Restricted	Restricted
	£	funds	general	fixed
		£	fund	asset
			£	funds
				£
Tangible fixed assets:				
Freehold land and buildings	9,288,000	-	-	9,288,000
School budget surplus	421,072	359,230	-	61,842
School fund	79,504	79,504		
LGPS pension deficit	(2,043,000)	-	(2,043,000)	-
Net assets	<u>7,745,576</u>	<u>438,734</u>	<u>(2,043,000)</u>	<u>9,349,842</u>

The above net assets include £500,945 that were transferred as cash. In addition to this £35,227 of current assets and £35,596 of liabilities were recognised on conversion to an academy, giving a total school budget and school fund surplus of £500,576.

26 AGENCY ARRANGEMENTS

The Academy Trust administers the disbursement of the new discretionary support for learners, 16-19 Bursary Funds, on behalf of the EFA. In the period it received £7,790 and disbursed £7,401, £389 was retained to cover administration expenses and therefore a balance of £Nil was repayable to the EFA at the 31 August 2012.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MAYFLOWER HIGH SCHOOL AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 9 November 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies: Accounts Direction 2011/12, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Mayflower High School during the period 1 August 2011 to 31 August 2012 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Mayflower High 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 Mayflower High 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 Mayflower High School and the EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF MAYFLOWER HIGH SCHOOL'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Mayflower High School's funding agreement with the Secretary of State for Education dated 1 August 2011 and the Academies Financial Handbook as published by DfES in 2006, 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 2011/12. 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 August 2011 to 31 August 2012 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 2011/12 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.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
MAYFLOWER HIGH SCHOOL AND THE EDUCATION FUNDING AGENCY (CONTINUED)

CONCLUSION

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 August 2011 to 31 August 2012 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Two ex gratia payments totalling £11,000 were paid to members of staff without prior consent of the Secretary of State as required under the Funding Agreement. Retrospective consent for this payment is being sought.

Baker Tilly UK Audit LLP
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29/12/12