

Registered number
07552665

Dane Court Grammar and King Ethelbert School Trust
(A Company Limited by Guarantee)

Report and Accounts

31 August 2012

Dane Court Grammar and King Ethelbert School Trust
Report and accounts
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Dane Court Grammar and King Ethelbert School Trust
Reference and Administrative Details of the Academy Trust, its Governors and Advisors

Governors

Mrs. V. Austin (Chair of Governors)*	Mrs. P.A. Godden
Mr. P.J. Luxnoore (Executive Headteacher) *	Mr. N.P. Gould
Mr. A.M. Dewick (Chair of Finance)*	Mr. N. Hudson*
Mr. N. R. Buchanan*	Mr. J.M. Lycett*
Mr. D.R.J. Collis	Mr. K.D. Oliver *
Mr. R.M. Copper	Mr. P. Rodd
Mrs. C. Dearden	Mrs. M. Somers
Mr. D.J. Ellis	Mrs. S.E. Wright (appointed 13 October 2011)
Mr. G. Felstead	Miss. C. Wyten (resigned 3 September 2011)

* Members of the Finance Committee

Secretary

Mrs. S. Slade

Senior managers

Executive Headteacher	Mr. P.J. Luxnoore
Headteacher - Dane Court	Mr. S. Pullen
Headteacher - King Ethelbert	Ms. K. Greig
Assistant Headteacher - Dane Court	Ms. A. Hale
Assistant Headteacher - Dane Court	Mrs. S. Stivarius
Assistant Headteacher - Dane Court	Mrs. L. Felstead
Assistant Headteacher - Dane Court	Mr. S. Sunderland
Deputy Headteacher - King Ethelbert	Mrs. M Chamberlain
Deputy Headteacher - King Ethelbert	Mr. T. Wright (Left 31.8.11)
Deputy Headteacher - King Ethelbert	Miss. V, Weatherhogg
Bursar - Dane Court	Ms. J. Simmons
Business Manager - King Ethelbert	Mr. R. Saffery

Auditors

UHY Kent LLP
t/a UITY Hacker Young
Thames House
Roman Square
Sittingbourne
Kent. ME10 4BJ

Bankers

Lloyds TSB Bank plc
68 High Street
Broadstairs
Kent. CT10 1JZ

Registered office

King Ethelbert School
Canterbury Road
Kent
CT7 9BL

Company registered number

07552665

Dane Court Grammar and King Ethelbert School Trust

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Governors' Report

The Governors present their annual report and auditors' report of the academy trust for the period ended 31 August 2012.

Structure, governance and management

Constitution

The Academy Trust was incorporated on 4th March 2011 as a company limited by guarantee and an exempt charity. The academy trust'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 Dane Court Grammar and King Ethelbert School Trust and are also the directors of the academy trust for the purposes of company law.

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

Members' liability

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

Governors' indemnities

The Academy Trust maintains Governors' and officers' liability insurance which gives appropriate cover for any legal action brought against its Governors. The Academy Trust has also granted indemnities to each of its Governors and other officers to the extent permitted by law. Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the period and remain in force, in relation to certain losses and liabilities which the Governors or other officers may incur to third parties in the course of acting as Governors or officers of the Academy Trust.

Details of the insurance cover are provided in note 12 to the financial statements.

Principal activities

The Academy Trust is between two schools in Kent: Dane Court Grammar School and King Ethelbert School. The Academy Trust company took over the operation of the schools on 1st April 2011, the date of the schools' conversion to academy status. Since then the academy trust's principal object and activity has been to manage the two schools' provision of education to pupils between the ages of 11 and 19.

Method of recruitment and appointment or election of Governors

The Academy Trust has determined that there will be 17 Governors on the Board in the following categories:

- o Six Community Governors appointed by Members;
- o Five Staff Governors consisting of the Executive Headteacher, plus four Staff Governors who are elected at both schools. Employees of the Academy Trust must not exceed one third of the total number of Governors; and

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Governors' Report

Method of recruitment and appointment or election of Governors - continued

- o 6 Parent Governors who shall be elected by the parents/carers of registered pupils at the two schools. The elected Parent Governor must be a parent/carer of a registered pupil at one of the two schools at the time when he or she is elected

A Governor's term of office is four years, save this does not apply to the Executive Head Teacher.

The Governors shall each school year, at their first meeting in that year, elect a chairman and a vice-chairman from among their number. A Governor who is employed by the Academy Trust shall not be eligible for election as chairman or vice-chairman.

The Governors who were in office at 31 August 2012 and served throughout the period, except where shown, are listed on page 1.

Policies and procedures adopted for the induction and training of Governors

The training and induction provided for new Governors will depend on their existing experience. Where necessary induction will provide training on charity and educational legal and financial matters. All new Governors will be given a tour of the Academy Trust and the chance to meet with staff and students. All Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. Only one new governor has been appointed during this time. The induction, therefore, was tailored specifically to this individual.

Organisation structure

There is a Governing Body for the Trust and an Executive Headteacher for both schools.

A Headteacher/Head of School is responsible for day-to-day operations in each school together with a Senior Leadership Team in each school which varies in size. Each school has a Bursar/Business Manager responsible to the Executive Headteacher for the school's finances.

The Governors are responsible for deciding strategic direction, adopting an annual school improvement plan and budget and governing the school according to its terms of reference.

risk management

The Governors have assessed the major risks to which the Academy Trust is exposed, in particular those relating to teaching, facilities and other operational areas of the Academy Trust, and its finances. Governors have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement within these financial statements.

Connected organisations, including related parties

The Dane Court voluntary fund, in existence to benefit the school and its' students, is under the control of the academy trust and so has been included within these financial statements.

There is also a Parent Teacher Association, Dane Court Grammar School Parents Association, charity registration no. 1023394.

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Governors' Report

Trust Objectives

The principle objective of the Academy Trust is the operation of Dane Court Grammar School and King Ethelbert School to provide an outstanding education for students between the ages of 11 and 19. A more detailed summary is provided in each school prospectus and on each school's website.

In accordance with the articles of association the Academy trust has adopted a "Scheme of Government" (Funding Agreement) approved by the Secretary of State for Education and Skills. The Scheme of Government specifies, amongst other things, the basis for admitting students to the Trust, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum.

Public benefit

The Trust is state funded and strives to promote and support the advancement of education within Thanet. Each school has its own admissions criteria as set out in the Funding Agreement; Dane Court Grammar School selects students aged 11 to 19 who have passed the Kent Test; King Ethelbert School is a non-selective 11 to 16 school. For both schools the catchment area can vary but is determined by each school's admissions criteria. The Trust plays an active part in the local community including sporting activities, fund-raising for charities and much more. The Trust buildings and land are available for community use out of school hours.

Equal opportunities

The Governors recognise that equal opportunities should be an integral part of good practice within the workplace. The Academy Trust aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

Disabled persons

The policy of the Academy Trust is to support recruitment and retention of students and employees with disabilities. The Academy Trust does this by making reasonable adjustment to the physical environment where possible, by making support resources available and through training and career development.

The Academy Trust makes reasonable adjustments to ensure they are able to admit pupils with varying levels of disabilities within the constraints of the buildings and other resources available to it.

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Governors' Report

AcMevements and performance

Both schools are oversubscribed. Total students in the year ended 31st August 2012 numbered 1950.

In Dane Court Grammar School the pass rate of students gaining 5+ A* - C including Maths and English was 97%; at King Ethelbert School it was 31%. At A-level the overall pass rate at Dane Court was 96% and 100% of pupils achieved the IB diploma.

All sWdents in Year 10 at King Ethelbert School and Year I I at Dane Court Grammar School were able to participate in work experience.

Both schools offer the full national curriculuru &om Year 7 to Year I I. During the academic year 2011/12 students at Dane Court Grammar School undertook AS, A2, IE and mCC qualifications.

Dane Court Grammar School is a National Support School and the Trust has been approved by the Department of Education as a sponsor Academy.

Going concern

After mal(mg 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. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Key financial performance indicators

- o Both schools aim to continue to recruit and retain students at their full published admission numbers. The Academy Trust was oversubscribed in 2011 and all available Grant funding from EFA generated by sWdent numbers was used to ensure the performance of sWdents & that the Trust continued to build on its success.
- o Staffing costs should be restricted to less than 85% of GAG income in any one year unless there are mitigating and reasonable circumstances for exceeding this limit. Examples of such circumstances could be an increasing roll where the funding for such students may belagged or undertaking services in-house because of greater efficiency. The Academy Trust's staffing costs have been kept within this restriction.

Financial review

During the period the Academy Trust inherited the assets and liabilities in hand on Isl April 2011, the date of conversion to academy status. A net donation of E37,669,301 is included within income in the Statement of Financial 'Activities, in accordance with the EFA Accounts Direction, Fixed assets inherited are included in the Restricted Fixed Asset Fund, all other assets and liabilities, excluding the opening Local Government Pension Scheme position, are shown as a net donation into unrestricted funds. The opening Local Government Pension Scheme liability is shown at the foot of the Statement of Financial Activities within other recognised gains and losses.

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Governors' Report

Most of the Academy Trust's recurrent income is obtained from the EPA in the form of grants, the use of which is restricted to particular purposes. The grants received from the EPA during the period ended 31 August 2012 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the period ended 31 August 2012, total expenditure of £16,126,234 was more than covered by recurrent grant funding from the EFA together with other incoming resources.

At 31 August 2012, the net book value of fixed assets was £37,164,247 and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy Trust.

Financial and risk management objectives and policies

The Academy Trust uses various financial instruments including cash and various items such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to maintain finance for the Academy Trust's operations.

The existence of these financial instruments exposes the Academy Trust to a number of financial risks which are described in more detail below. The main risks arising from the trust's financial instruments are liquidity risk and cash flow interest rate risk.

Liquidity risk - the Trust manages its cash resources, including sufficient working capital, so that its haul< ledger balance is available to the finance team for monitoring at all times and is always taken into account when making payments.

Interest rate risk - The Academy Trust has used risk free managed investments to maximise interest on income whenever possible and shall continue to do so.

Principal risks and uncertainties

The Academy Trust monitors the principle risks and has drawn up a risk register which is regularly reviewed.

Reserves policy

The Governors review the reserve levels of the Academy Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors have determined that the appropriate level of free cash should be equivalent to four weeks expenditure, approximately £400,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

Financial position

The Academy Trust held fund balances at 31 August 2012 of £36,311,075.

These funds comprised £37,164,247 of restricted fixed asset funds, £309,432 of other restricted funds, and £768,396 of unrestricted funds, together with a pension fund reserve deficit of £1,931,000.

The pension fund reserve deficit does not mean that an immediate liability crystallises. The deficit results in a cash flow effect for the academy in the form of possible future increases in pension contributions, which, if required, will be met from the budgeted annual income.

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Governors' Report

Plans for future periods

The Academy Trust plans for the future in both the medium and long term. The short term key issues for both schools are outlined in the school's annual improvement plans as shown below.

KINGEMLBERT SCHOOL

SCHOOL IMPROVEMENT PLAN 2012-2013

Subject	Aims		When	Outcomes
1. Raising achievement	a) Improve GCSE results to 45% SA* - C including maths and English. b) Implement Raising Achievement plan c) Focus on boys' achievement across all subjects	To be achieved with following resources	August	45% of Year 11 gain SA C Including English and maths Data shows boys' achievement has been raised
2. Quality of Teaching	Increase the percentage of teachers that teach outstanding lessons to 40%	To be achieved with following resources	July	Percentage of teachers that teach outstanding lessons increased to 40%
3. Intervention	a) develop intervention schemes for KS3 students to improve basic skills in Literacy and Numeracy b) continue to embed Literacy and Numeracy across the curriculum	£6,000 resources plus a separate earmarked £3,000 on SOD and £7,500 for reading books for all Y7 and Year 8	July	Students improve basic literacy and numeracy at KS3 Reading ages improve Intervention groups at KS3 using gap analysis to target specific areas for improvement Observations in 3 sessions show literacy/numeracy opportunities SOW highlight literacy numeracy
4. Post-16	a) Take IBCC into year 10 and enhance post-16 curriculum b) Recruit 40+ students for Sept 2018	£10,000	July	100% pass term 1 IBCC students in summer. Recruit students for next year (40+) New subjects introduced and observed positive outcomes
5. Feedback	a) Develop more robust procedures for a clear feedback to students to ensure annual specific targets for improvement b) Continue to develop student voice as a mechanism for feedback	To be achieved with following resources	July	Students use marking and feedback to raise their specific areas for improvement Student voice audit used to target areas for improvement
6. Strengthen school community	Develop House System	Minimal additional costs	July	Send House assemblies. Proposals to Governors raised
7. Teaching Staff and EK	a) Apply for Teaching Schools status b) Work with Dane Court to develop and deliver training courses for other schools c) Adopt philosophy of a Teaching School in preparation for Teaching Schools status in 2013	£5,000 set aside to develop infrastructure. This will be self-financing		Teaching School bid made and successful Raising Achievement Statement of Teaching School of Excellence and Ethos

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Governors' Report

Plans for future periods - continued

DANE COURT GRAMMAR SCHOOL IMPROVEMENT PLAN 2012 - 2013

855BC	Aim	When	Outcome
1. Implementation of the IBOP and IBCC	a) Monitor implementation of the IBOP and IBCC b) Review implementation of the BDP and IBCC	Sept 2012 July 2013	18 and IBCC successfully implemented and any issues resolved Report to Governing Body
2. Key Stages 3 and 4 Curriculum	a) Review KS3 and 4 Curriculum to ensure they meet the needs of students at DC b) Develop strategic plan for KS3 and KS4 curriculum linked to Department of Education curriculum review	Dec 2012 Jan 2013	Review produced and shared with Governing Body Strategic plan produced and shared with Governing Body
3. Student Leadership	Continue to develop student leadership	July 2013	A clear structure in place to ensure opinions are heard
4. Achievement	Continue to ensure that the most able achieve in line with the targets set: A*/A - GCSE, A - AS Level, A*/A A Level and 6 at B	Aug 2013	Value added data to show that a higher percentage of able students have achieved predicted grades in summer 2013 80% of lessons judged good or outstanding
5. IT provision	a) Manage transition to own IT systems b) Trial and develop alternative model to school owned IT devices	Sept 2012 onwards May 2013	Break from No 10 gate complete. Improved quality of service evidenced. Trial carried out. Evidence of classroom use including the production of learning resources. Report on feasibility of using student owned devices produced.
Teaching School 001 and E	a) Apply for Teaching School status b) Work with KLA to develop and deliver training courses for other schools c) Adopt philosophy of a Teaching School 001 in preparation for Teaching School status in 2013	Sep 2012 July 2013 Sept 2012	Teaching School bid completed Range of courses available Teaching School exhibitions and conferences

Disclosure of information to auditors

so far as the Governors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and

and the Governors have taken all the steps 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.

Auditors

The auditors, UHY Hacker Young, have indicated their willingness to remain in office, and the audit process will be reviewed in detail and re-appointment of the auditors will be considered following the forthcoming Annual General Meeting.

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Governors' Report

This report was approved by the Governing Body on 26 November 2012 and signed on its behalf by:

Ms. V. Austin
Chair of the Governing Body

Dane Court Grammar and King Ethelbert School Trust

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Governance Statement

Scope of responsibility

As Governors, we acknowledge we have overall responsibility for ensuring that Dane Court Grammar and King Ethelbert School Trust 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 Paul Luxmoore, 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 Dane Court Grammar and King Ethelbert School Trust 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 has formally met 8 times during the year. Attendance during the year at meetings of the governing body was as follows:

Governor	Meetings attended	out of a possible
Dr V Austin	8	8
Mr N Buchanan	8	8
Mr D Collins	8	8
Mr R Copper	6	8
Mrs C Dearden	5	8
Mr A Dewick	6	8
Mr D Elfis	5	8
Mr G Felstead	8	8
Mrs P Godden	6	8
Mr N Gould	3	8
Mr N Hudson	7	8
Mr P Luxmoore	8	8
Mr J Lycett	8	8
Mr K Oliver	8	8
Mr P Rodd	15	8
Mrs M Somers	8	8
Mrs S Wright	5	5
Ms C Wyten	2	2

The only changes in the composition of the governing body during the period was the resignation of one staff governors (Ms. C. Wyten) and the appointment of a replacement (Mrs. S. Wright).

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Governance Statement

The Finance Committee is a sub-committee of the main governing body. Its purpose is to assist the decision making of the Governing Body by enabling more detailed consideration to be given to the best means of fulfilling the Governing Body's responsibility to ensure sound financial management. Attendance at Committee meetings in the year was as follows:

Governor	Meetings attended	Out of 7 possible
Dr VAustin	15	7
Nr N Buchanan	51	7
Mr A Dewlck	7	7
Mr NHudson	51	7
Mr P Luxmoore	7	7
Mr J Lycett	15	7
Mr K Oliver	5	7

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy 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 Dane Court Grammar and King Ethelbert School Trust 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 ongoing 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.

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:

- o 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;
- e setting targets to measure financial and other performance;
- o clearly defined purchasing (asset purchase or capital investment) guidelines;
- o delegation of authority and segregation of duties;
- ' identification and management of risks.

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Governance Statement

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

During the period ended 31st August 2012 the RO function has been fully delivered in line with the requirements of the Education Funding Agency.

Review of effectiveness

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

- e the work of the Responsible Officer;
- ' the work of the external auditor;
- o the financial management and governance self assessment process;
- o 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 Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

This report was approved by the Governing Body on 26 November 2012 and signed on its behalf by:

Ms. V. Austin
Chair of the Governing Body

Mr. P.J. Luxmoore
Accounting Officer

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Statement on Regularity, Propriety and Compliance

As accounting officer of Dane Court Grammar and King Ethelbert School 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 EPA 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 governing body 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. P.J. Luxmoore
Accounting Officer and Executive Headteacher

Dane Court Grammar and King Ethelbert School Trust Statement of Governors' Responsibilities

The Governors (who act as trustees for charitable activities of Dane Court Grammar and King Ethelbert School Trust and are also the directors of the academy trust 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 and the Academies Accounts Direction 2011/12 issued by the Education Funding Agency.

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 academy trust 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:

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

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the academy trust's transactions and disclose with reasonable accuracy at any time the financial position of the academy trust 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 academy trust 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 academy trust 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 DfE, EFA and YPLA 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 academy trust'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 26 November 2012 and signed on its behalf by:

Ms. V. Austin
Chair of the Governing Body

**Dane Court Grammar and King Ethelbert School Trust
Independent auditors' report
to the members of Dane Court Grammar and King Ethelbert School Trust**

We have audited the accounts of Dane Court Grammar and King Ethelbert School Trust for the period ended 31 August 2012 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the academy trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy trust's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy trust and the academy trust'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 on page 14 the Governors (who act as trustees for the charitable activities of Dane Court Grammar and King Ethelbert School Trust and are also the directors for the purposes of company law) are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit

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

Opinion on the accounts

In our opinion the accounts:

- o 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 for the period then ended;
- o have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and in accordance with the Academies Accounts Direction 2011/12 issued by the Education Funding Agency;
- o have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

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

Dane Court Grammar and King Ethelbert School Trust
Independent auditors' report
to the members of Dane Court Grammar and King Ethelbert School Trust

: **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:

- o adequate accounting records have not been kept; or
- o the accounts are not in agreement with the accounting records and returns; or
- o certain disclosures of Governors' remuneration specified by law are not made; or
- o we have not received all the information and explanations we require for our audit.



Allan Rickie BSc ACA
(Senior Statutory Auditor)
for and on behalf of
~ **Kent LLP**
Chartered Accountants and Statutory Auditors
29 November 2012

Thames House
Roman Square
Sittingbourne
Kent. ME10 4BJ

Dane Court Grammar and King Ethelbert School Trust

Independent Reporting Accountant's Assurance Report on Regularity to Dane Court Grammar and King Ethelbert School Trust and the Education Funding Agency

In accordance with the terms of our engagement letter dated 21 August 2012 and further to the requirements of the Education Funding Agency (EFA), we have carried out a review to obtain assurance about whether, in all material respects, the expenditure disbursed and income received by the academy trust during the year ended 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 Dane Court Grammar and King Ethelbert School Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Dane Court Grammar and King Ethelbert School Trust 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 Dane Court Grammar and King Ethelbert School Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Dane Court Grammar and King Ethelbert School Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Dane Court Grammar and King Ethelbert School Trust's funding agreement with the Secretary of State for Education dated 23 March 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 year ended 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

Dane Court Grammar and Ring Ethelbert School Trust

**Independent Reporting Accountant's Assurance Report on Regularity to
Dane Court Grammar and Ring Ethelbert School Trust and the Education Funding Agency**

Our work has included the following:

- o an assessment of the risk of material irregularity, impropriety and non-compliance relating to the academy's activities;
- o reviewing the Financial Management and Governance Evaluation completed by the academy during the period;
- o a review and assessment of internal controls, systems and policies in place at the academy;
- o holding discussions with the Accounting Officer to determine how he has been able to make his declaration with regard to regularity and impropriety;
- o substantive testing and analytical review procedures, as deemed necessary and as part of our standard external audit engagement and which can also be relied upon for this report on regularity; and
- o requesting and receiving confirmation from the EFA that there is no information that they are aware of that may impact upon the planning and subsequent delivery of the regularity assurance engagement;

Conclusion

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year ended 31 August 2012 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Allan Rickie BSc ACA
for and on behalf of
~ Kent LLP
Chartered Accountants
29 November 2012

Thames House
Roman Square
Sittingbourne
Kent. ME10 4BJ

Dane Court Grammar and King Ethelbert School Trust
Statement of Financial Activities for the period ended 31 August 2012

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

	Notes	Unrestricted Funds	Restricted General Funds C	Restricted Fixed Asset Funds f	Total 2012 f
Incoming resources					
<i>Incoming resources from generated funds:</i>					
- Voluntary income	3	71,702	9,072	-	80,774
- Funds inherited on conversion	3	854,667	Cl,400,000)	38,214,634	37,669,301
- Activities for generating funds	4	281,959	301,013	-	582,972
Investment income	5	5,957	-	-	5,957
<i>Incoming resources from charitable activities:</i>					
- Funding for educational operations	6	-	14,506,291	71,014	14,577,305
Total incoming resources		1,214,285	13,416,376	38,285,648	52,916,309
Resources expended					
<i>Cost of generating funds:</i>					
- Costs of activities for generating funds	7	321,661	301,013	-	622,674
<i>Charitable activities:</i>					
- Educational operations	8	61,151	14,040,358	1,172,788	15,274,297
Governance costs	9	11,690	217,573	-	229,263
Total resources expended		394,502	14,558,944	1,172,788	16,126,234
Net incoming(outgoing) resources before transfers					
		819,783	Cl,142,568)	37,112,860	36,790,075
Gross transfers between funds	18	(51,387)		51,387	
Net incoming(outgoing) resources before other recognised gains and losses		768,396	Cl,142,568)	37,164,247	36,790,075
Actuarial losses on defined benefit pension schemes					
	23	-	(479,000)	-	(479,000)
Net movement in funds		768,396	Cl,621,568)	37,164,247	36,311,075
Funds carried forward at 31 August 2012					
		768,396	Cl,621,568)	37,164,247	36,311,075

All of the academy trust's activities derive from acquisitions in the current financial period.

**Dane Court Grammar and Mug Ethelbert School Trust
Balance Sheet as at 31 August 2012**

	Notes	2012 t
Fixed assets		
Tangible assets	13	37,164,247
Current assets		
Stocks	14	13,458
Debtors	15	255,834
Cash at bank and in hand		1,656,335 1,925,627
Creditors: amounts falling due within one year	16	(814,616)
Net current assets		1,111,011
Total assets less current liabilities		38,275,258
Creditors: amounts falling due after more than one year	17	(33,183)
Net assets excluding pension liability		38,242,075
Provisions for liabilities		
Pension scheme liability	23	(1,931,000)
Net assets including pension scheme liability		36,311,075
Funds of the Academy Trust:		
<i>Restricted funds</i>		
- Fixed asset funds	18	37,164,247
- General Annual Grant fund	18	309,432
- Pension reserve	18	(1,931,000)
- Other restricted funds	18	
Total restricted funds		35,542,679
<i>Unrestricted funds</i>		
- General fund		768,396
Total unrestricted funds		768,396
Total funds	18	36,311,075

The financial statements were approved by the Governors, and authorised for issue on 26 November 2012 and are signed on their behalf by:

Ms. V. Austin
Chair of the Governing Body

Dane Court Grammar and King Ethelbert School Trust
Cash Flow Statement
for the period from 4 March 2011 to 31 August 2012

		2012
		£
Reconciliation of operating profit to net cash inflow from operating activities		
Net income		36,790,075
Depreciation	13	1,172,788
Cash impact of transfer on conversion	28	(899,147)
Capital grants and other capital income		(38,285,648)
Interest receivable	5	(5,957)
Increase in stocks		(13,458)
FRS 17 pension cost less contributions payable	23	(40,000)
FRS 17 pension finance cost	23	92,000
Increase in debtors		(255,834)
Increase in creditors		847,799
Inherited pension scheme deficit		1,400,000
Net cash inflow from operating activities		802,618

CASH FLOW STATEMENT

Net cash inflow from operating activities		802,618
Returns on investments and servicing of nuance	21	5,957
Capital expenditure	21	(51,387)
Cash transferred on conversion to an academy trust	28	899,147
fncrease in cash		1,656,335
Reconciliation of net cash flow to movement in net debt		
Increase in cash in the period		1,656,335
Change in net debt	22	1,656,335
Net funds at 4 March		
Net funds at 31 August		1,656,335

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

Dane Court Grammar and King Ethelbert School Trust
Notes to the Accounts
for the period from 4 March 2011 to 31 August 2012

1 Accounting policies

Basis of preparation

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

Conversion to academy status

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 fair consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from Dane Court Grammar School and King Ethelbert School to the 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 the academy trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income as net income in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 28.

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:

Grants receivable

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

Donations

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

Other income

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

Dane Court Grammar and King Ethelbert School Trust
Notes to the Accounts
for the period from 4 March 2011 to 31 August 2012

1 Accounting policies - continued

Donated services and gifts in kind

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

Upon becoming an Academy Trust the charitable company received a transfer of property, and other assets, at no consideration. These assets are reflected as a donation in the last year accounts of the Academy Trust, at a figure the Governors have deemed to be the fair value of the property and assets to the Academy Trust.

Details of the assets donated are provided in note 13 to the financial statements.

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.

- e *Costs of generating funds* - these are costs incurred in attracting voluntary income, and those incurred in trading activities that misc funds.
- e *Charitable activities* - these are costs incurred on the Academy Trust's educational operations.
- o *Governance costs* - these include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit and strategic management.

Stocks

unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

Leasing commitments

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

Tangible fixed assets and depreciation

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

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

Dane Court Grammar and High Ethelbert School Trust
Notes to the Accounts
for the period from 4 March 2011 to 31 August 2012

1 Account Policies - continued

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

Freehold buildings	2%
Fixtures, fittings and equipment	25%
ICT equipment	33.33%

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

Taxation

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

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 27, 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.

Dane Court Grammar and King Ethelbert School Trust
Notes to the Accounts
for the period from 4 March 2011 to 31 August 2012

1 Accounting policies - continued

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed 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.

2 General Annual Grant (GAG)

	King Ethelbert 2012 i	Dane Court 2012 C	Total 2012 f
Results and carry forward for the period			
GAG allocation for current period	5,633,720	8,139,733	13,773,453
Total GAG available to spend	5,633,720	8,139,733	13,773,453
Recurrent expenditure from GAG	CS,568,949)	(7,895,072)	{13,464,021)
GAG carried forward to next year	64,771	244,661	309,432
Maximum permitted GAG carry forward at end of current period (12% of allocation for current period)	(676,046)	(976,768)	CI,652,814)
GAG to surrender to EPA (12% rule breached if result is positive)	(611,275)	(732,107)	_(1,343,382)
	no breach	no breach	no breach

3 Voluntary income

	Unrestricted Funds f	Restricted Funds t	Total 2012 f
Net donation inherited on conversion	854,667	CI,400,000)	{545,333)
Fixed assets inherited on conversion		38,214,634	38,214,634
Other donations	71,702	9,072	80,774
	926,369	36,823,706	37,750,075

See note 28 for details of the assets and liabilities inherited on conversion.

Dane Court Grammar and King Ethelbert School Trust
Notes to the Accounts
for the period from 4 March 2011 to 31 August 2012

4 Activities for generating funds	Unrestricted Funds C	Restricted Funds i	Total 2012 t
Income &om facilities/services	14,997		14,997
School trips income		301,013	301,013
School uniform sales	52,501	-	52,501
Catering income	123,891	-	123,891
Other income	90,570	-	90,570
	281,959	301,013	582,972

5 Investment income	Unrestricted Funds f	Restricted Funds E	Total 2012 t:
Short term deposits	5,957	-	5,957
	5,957	-	5,957

6 Funding for the Academy Trust's educational operations

	Unrestricted Funds f	Restricted Funds f	Total 2012 C
DfE/EPA capital grants			
- King Ethelbert	-	22,935	22,935
- Dane Court	-	48,079	48,079
		71,014	71,014
DfE/EFArevenuegrants			
General Annual Grant (GAG) (note 2)			
- King Ethelbert		5,633,720	5,633,720
- Dane Court		8,139,733	8,139,733
- Other DfE/EPA grants		449,873	449,873
		14,223,326	14,223,326
Other Government grants			
- King Ethelbert	=	151,038	151,038
- Dane Court		131,927	131,927
		282,965	282,965
		14,577,305	14,577,305

Dane Court Grammar and King Ethelbert School Trust
Notes to the Accounts
for the period from 4 March 2011 to 31 August 2012

7 Resources expended

	Staff Costs(Ci)	Non Pay Expenditure		Total 2012 £
		Premises CC)	Other Costs Ci)	
Costs of activities for generating funds	154,579_	7977	4609.118_	622,674
Academy Trust's educational operations				
- Direct costs	10,136,761	947,037	1,193,121	12,276,919
- Allocated support costs	1,076,347	946,991	974,040	2,997,378
	11,213,108 _	1,894,028	2,167,161	15,274,297
Governance costs including allocated support costs				
- 10% allocation of clerical staff costs	77,637			77,637
- 5% allocation of occupancy costs		39,882		39,882
-legal, professional and audit costs	-		111,744	111,744
	77,637	39,882	111,744	229,263
	11,445,_324	1,941,887	2,739,023	16,126,234

Incoming/outgoing resources for the period include:

	2012 t
Operating leases	31,300
Auditors' remuneration	
- audit of financial statements	7,950
- other services	7,596

Dane Court Grammar and King Ethelbert School Trust
Notes to the Accounts
for the period from 4 March 2011 to 31 August 2012

8 Charitable activities" Academy trust's educational operations

	Unrestricted Funds £	Restricted Funds £	Total 2012 £
<i>Direct costs</i>			
Teaching and educational support			
staff costs	-	10,136,761	10,136,761
Depreciation- property	-	947,037	947,037
Depreciation " other		167,112	167,112
Books, apparatus and stationery	16,096	323,544	339,640
Examination fees	-	310,135	310,135
Staff development	-	59,639	59,639
Educational consultancy	-	316,595	316,595
	16,096	12,260,823	12,276,919
<i>Allocated support costs</i>			
Support staff costs	20,056	964,291	984,347
Depreciation		58,639	58,639
Maintenance of premises and equipment	-	233,360	233,360
Cleaning	-	139,858	139,858
Rent and rates	-	142,616	142,616
Heat and light	-	269,466	269,466
Insurance	-	103,052	103,052
Security	-	15,115	15,115
Transport	-	24,544	24,544
Catering	-	65,953	65,953
Uniforms	19,438		19,438
Technology costs including managed IT services		606,831	606,831
LGPS FRS17 finance cost	-	92,000	92,000
Bank interest and charges	-	3,024	3,024
Other support costs	5,561	233,574	239,135
	45,055	2,952,323	2,997,378
	61,151	15,213,146	15,274,297

9 Governance costs

	Unrestricted Funds £	Restricted Funds £	Total 2012 £
Charges for other bought in professional services	11,690	84,508	96,198
Auditors' remuneration			
- audit of financial statements	-	7,950	7,950
- other services	-	7,596	7,596
Support costs (allocation of staff and occupancy costs, see note 7)	-	117,519	117,519
	11,690	217,573	229,263

Dane Court Grammar and King Ethelbert School Trust
Notes to the Accounts
for the period from 4 March 2011 to 31 August 2012

10 Staff costs

Staff costs during the period were:	2012
	£
Wages and salaries	9,116,692
Social security costs	729,050
Pension costs	1,251,529
	11,097,271
Supply teacher costs	178,324
	11,275,595

The average number of persons (including senior management team) employed by the Academy Trust during the period ended 31 August 2012 expressed as full time equivalents was as follows:

	2012
	Number
Teachers	128
Administration and support	60
Management	10
	198

The number of employees whose emoluments, on a full year pro rata basis, fell within the following bands was:

	2012
	Number
£60,001 - £70,000	2
£70,001 - £80,000	3
£80,001 - £90,000	1
£130,001 - £140,000	1

Six of the above employees participated in the Teachers' Pension Scheme. During the period ended 31 August 2012, pension contributions for these staff amounted to £93,151. One other employee participated in the Local Government Pension Scheme. Pension contributions amounted to £20,569.

11 Governors' remuneration

Staff Governors did not receive any payments from the Academy Trust in respect of their roles as Governors. Principal and Staff Governors only receive remuneration in respect of services they provide under their contracts of employment. For the seventeen month period this report covers a cumulative total of £258,543 was paid in salaries to the Principal and the Staff Governors under their contracts of employment.

Dane Court Grammar and King Ethelbert School Trust
Notes to the Accounts
for the period from 4 March 2011 to 31 August 2012

12 Governors and officers' insurance

In accordance with normal commercial practice the Academies have purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the period ended 31 August 2012 was £2,131.

13 Tangible fixed assets

	Land and buildings C	Furniture & equipment i	Computer equipment & software C	Total C
Cost				
Additions	37,810,407	488,081	38,547	38,337,035
At 31 August 2012	37,810,407	488,081	38,547	38,337,035
Depreciation				
Charge for the period	996,881	169,978	5,929	1,172,788
At 31 August 2012	996,881	169,978	5,929	1,172,788
Net book value				
At 31 August 2012	36,813,526	318,103	32,618	37,164,247

14 Stocks

	2012 f
Clothing	12,000
Catering	1,458
	13,458

15 Debtors

	2012 f
Trade debtors	4,497
Other debtors	36,924
Prepayments and accrued income	214,413
	255,834

Dane Court Grammar and King Ethelbert School Trust
Notes to the Accounts
for the period from 4 March 2011 to 31 August 2012

16 Creditors: amounts falling due within one year	2012
	;C
Trade creditors	25,895
Other taxes and social security costs	157,048
Other creditors	23,273
Accruals and deferred income	608,400
	814,616
Deferred income	
Resources deferred in the year	276,319
Deferred income at 31 August 2012	276,319
Deferred income comprises the following rece. . .	
Contributions towards trips	99,356
EFA devolved capital grant 12/13	9,381
16-18 Bursary Fund	22,703
Insurance grant	53,515
KCC funding	32,340
Other	59,024
	276,319
17 Creditors: amounts falling due after one year	2012
	i
Accruals and deferred income	33,183

Dane Court Grammar and King Ethelbert School Trust
Notes to the Accounts
for the period from 4 March 2011 to 31 August 2012

18 Funds

	Incoming Resources	Resources Expended	Gains, losses & transfers	Balance at 31 August 2012
Restricted general funds				
General Annual Grants (GAG) <small>(note Cn)</small>				
- king Ethelbert School	5,633,720	(5,568,949)	-	64,771
- Dane Court Grammar School	8,139,733	(7,895,072)	-	244,661
Other DfE/EFA grants (note (ii))	449,873	(449,873)	-	-
Other government grants (note (iii))	282,965	(282,965)	-	-
Pension reserves (note (iv))				
- king Ethelbert School	(871,000)	(31,000)	(297,000)	C1,199,000
- Dane Court Grammar School	(529,000)	(21,000)	(182,000)	(732,000)
School trips (note (v))	301,013	{301,013}	-	-
Teaching School Bid Fund (note (vi))	9,072	(9,072)	-	-
	13,416,376	{14,558,944}	(4,79,000)	C1,621,568
Restricted fixed asset funds (note (vH))				
DfE/UFA capital grants				
- king Ethelbert School	22,935	(980)	-	21,955
- Dane Court Grammar School	48,079	(5,302)	-	42,777
Donated asset fund	38,214,634	C1,164,528	-	37,050,106
Capital expenditure &om unrestricted fund	-	(1978)	51,387	49,409
	38,285,648	C1,172,788	51,387	37,164,247
Total restricted funds	51,702,024	{15,731,732}	(427,613)	35,542,679
Unrestricted funds				
Unrestricted funds	1,214,285	(394,502)	(51,387)	-168,396
Total unrestricted funds	1,214,285	(394,502)	(51,387)	768,396
Total funds	52,916,309	{16,126,234}	(479,000)	36,311,075

Notes

(i) General Annual Grants must be used for the nonnal running costs of each individual Academy, and hence are shown as two separate restricted funds. Each Academy is allowed to carry forward up to 12% of its current (GAG). Of the carried forward amount, up to 2% of 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 transfers to/from the GAG funds relate to non-actuarial movement in the Local Government Pension Scheme liabilities.

(ii) The Other DfE/EFA grant fund relates to income received from the DfE, YPLA and EPA, and included Pupil Premium.

(iii) The Other Government grant fund relates to restricted income received from other government bodies and includes money received from Kent County Council.

(iv) The pension reserves relates to the Academy Trust's share of the deficit of the Local Government Pension Schemes overseen by its Local Authority.

**Dane Court Grammar and 1(iflg Ethelbert School Trust
Notes to the Accounts
for the period from 4 March 2011 to 31 August 2012**

18 Funds - continued

Cn) The School Trips funds accounts for money received from parents and pupils specifically for educational trips and visits, which is treated as a restricted fund because it was given for a specific purpose.

(vi) The Teaching School Bid Fund is a restricted reserve. This is a project with the aim to train teachers and several other schools and Kent County Council pay into this,

(vii) The restricted fixed asset funds are carried forward to meet the specific costs of fixed asset projects and to cover the depreciation charges that will be required on these projects going forward and the current fixed assets held. The gross transfer from the unrestricted general fund to the restricted fixed asset fund of E51,387 represents the total capital expenditure incurred out of unrestricted funds during the period.

19 Analysis of net assets between funds

Fund balances at 31 August 2012 are represented by:

	Unrestricted funds i	Restricted general funds i	Restricted fixed asset funds f	Total t
Tangible fixed assets			37,164,247	37,164,247
Current assets	768,396	1,157,231	-	1,925,627
Current liabilities	-	(814,616)	-	(814,616)
Long-term liabilities	-	03,183)	-	(33,183)
Pension scheme liability	-	CI,931,000)	-	CI,931,000)
	768,396	CI,621,,568)	37,164,247	36,311,075

20 Other financial commitments

At 31 August 2012 the Academy Trust had annual commitments under non-cancellable operating leases as follows:

	Other 2012 i	Total 2012 f:
Operating leases which expire:		
within one year	4,077	4,077
within two to five years	26,057_	26,057_
	30,134	30,134

Dane Court Grammar and King Ethelbert School Trust
Notes to the Accounts
for the period from 4 March 2011 to 31 August 2012

21 Gross cash Bows	2012
	f
Returns on investments and servicing of finance	
Interest received	5,957
Capital expenditure	
Payments to acquire tangible fixed assets	(122,401)
Capital grants from DIE/EFA	71,014
	51,387

22 Analysis of changes in net funds

	At 4 Mar 2011 i	Cashflows £	Non-cash changes f	At 31 Aug 2012 C
Cash at bank and in hand	-	1,656,335	-	1,656,335
Total		1,656,335	-	1,656,335

23 Pensions and similar obligations

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff which is managed by Kent County Council. Both are defined benefit schemes.

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

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

Teachers' Pension Scheme (TPS)

The Teachers' Pension Scheme ("TPS") is a statutory, contributory, defined benefit scheme. The regulations under which the TPS operates are the Teachers' Pensions Regulations 2010.

Although teachers and lecturers are employed by various bodies, their retirement and other pension benefits, including annual increases payable under the Pensions (Increase) Acts are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament. Under the unfunded TPS, teachers' contributions on a 'pay-as-you-go' basis, and employers' contributions, are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' 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 (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Dane Court Grammar and King Ethelbert School Trust
Notes to the Accounts
for the period from 4 March 2011 to 31 August 2012

23 Pensions and similar obligations - continued

The Government Actuary ("GA"), using normal actuarial principles, conducts formal actuarial reviews of the TPS. The aim of the reviews is to specify the level of future contributions.

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

The last valuation of the TPS related to the period 1 April 2001 - 31 March 2004. The GA's report of October 2006 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £166,500 millions. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £163,240 millions. The assumed real rate of return is 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 1.5%. The assumed gross rate of return is 6.5%.

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

From 1 April 2012 to 31 March 2013, the employee contribution rate will range between 6.4% and 8.8%, depending on a member's Full Time Equivalent salary. Further changes to the employee contribution rate will be applied in 2013-14 and 2014-15.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. Many of these are being discussed in the context of the design for a reformed TPS and scheme valuations are, therefore, currently suspended. The Government, however, has set out a future process for determining the employer contribution rate under the new scheme, and this process will involve a full actuarial valuation.

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 and the implications for the academy in terms of the anticipated contribution rates.

Dane Court Grammar and King Ethelbert School Trust
Notes to the Accounts
for the period from 4 March 2011 to 31 August 2012

23 Pensions and similar obligations . continued

Local Government Pension Scheme

The LOPS 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 2012 was a85,000, of which employer's contributions totalled ;E304,000 and employees' contributions totalled :E81,000.

As described in note 28 the LOPS 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.

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 major assumptions used by the acWary were:

	At 31 August 2012
Rate of increase in salaries	4.1%
Rate of increase in pensions in payment/inflation	1.9%
Discount rate for scheme liabilities	3.9%
Inflation assumption(CPI)	1.9%

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 2012
<i>Retiring today</i>	
Males	20.0
Females	24.0
<i>Retiring in 20 years</i>	
Males	22.0
Females	25.9

Both the discount rate applied on the defined benefit obligation and the mortality assumption are subject to a degree of subjectivity, and the following sensitivity analysis (shown on a combined basis to include both schools) indicates the impact of a small change in either the discount rate of mortality assumptions:

	;C +0.1%	;E 0.0%	;f -0.1%
Adjustment to discount rate:			
- Present value of total obligation	3,108,000	3,195,000	3,285,000
- Projected service cost	227,000	235,000	243,000

Dane Court Grammar and King Ethelbert School Trust
Notes to the Accounts
for the period from 4 March 2011 to 31 August 2012

23 Pensions and similar obligations - continued

Adjustment to mortality age rating assumption:	+J Year	None	-I Year
- Present value of total obligation	3,077,000	3,195,000	3,315,000
- Projected service cost	225,000	235,000	246,000

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

	Expected returns at 31 August 2012	King Ethelbert Fair value at 31 August 2012	Dane Court Fair value at 31 August 2012	Total
Equities	5.9%	533,000	352,000	885,000
Gilts	2.8%	8,000	5,000	13,000
Other bonds	3.9%	99,000	65,000	164,000
Properties	3.9%	76,000	50,000	126,000
Cash	0.5%	23,000	15,000	38,000
Target return portfolio	4.4%	23,000	15,000	38,000
Total market value of assets		762,000	502,000	1,264,000
Present value of scheme liabilities		CI,961,000)	CI,234,000)	(3,195,000)
Deficit in the scheme		CI,199,000)	(732,000)	CI,931,000)

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

The actual return on scheme assets was as follows: King Ethelbert - E92,000, Dane Court " f59,000.

Amounts recognised in the statement of financial activities

	King Ethelbert 2012	Dane Court 2012	Total 2012
Current service cost (net of employee contributions)	158,000	106,000	264,000
Total operating charge	158,000	106,000	264,000

Dane Court Grammar and King Ethelbert School Trust
Notes to the Accounts
for the period from 4 March 2011 to 31 August 2012

23 Pensions and similar obligations - continued

Analysis of pension finance income (costs)

Expected return on employer's share of scheme assets	55,000	35,000	90,000
Interest on pension liabilities	(112,000)	_(70,000)	~82,000)
Pension finance income (costs)	(57,000)	(35,000)	(92,000)

The actuarial gains and losses for the current period are recognised in the statement of financial activities.

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

	King Ethelbert 2012 f	Dane Court 2012 f	Total 2012 f
Opening defined benefit obligation	1,320,000	805,000	2,125,000
Movement in period:			
Current service cost	158,000	106,000	264,000
Interest cost	112,000	70,000	182,000
Employee contributions	49,000	32,000	81,000
Actuarial loss	332,000	205,000	537,000
Benefits paid	(10,000)	(16,000)	(26,000)
At 31 August 2012	1,961,000	1,234,000	3,195,000

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

	King Ethelbert 2012 f	Dane Court 2012 f	Total 2012 E
Opening fair value of scheme assets	449,000	276,000	725,000
Expected return on assets	55,000	35,000	90,000
Actuarial gain	35,000	23,000	58,000
Employer contributions	184,000	120,000	304,000
Employee contributions	49,000	32,000	81,000
Benefits paid	(10,000)	(16,000)	(26,000)
At 31 August 2012	762,000	502,000	1,264,000

The estimated values of employer contributions for the period ended 31 August 2012 are f128,000 for King Ethelbert and ;E83,000 for Dane Court.

**Dane Court Grammar and 1(ing Ethelbert School Trust
Notes to the Accounts
for the period from 4 March 2011 to 31 August 2012**

23 Pensions and similar obligations - continued

History of experience adjustments

	KWg Ethelbert 2012	Dane Court 2012	Total 2012
Present value of defined benefit obligations	1,961,000)	1,234,000)	(3,195,000)
Fair value of share of scheme assets	762,000	502,000	1,264,000
Deficit in the scheme	<u>(1,199,000)</u>	<u>(732,000)</u>	<u>(1,931,000)</u>
Experience adjustments on scheme liabilities: (f)	35,000	23,000	58,000

24 Contingent Babilities

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy Trust is required either to re-invest the proceeds or to repay to the Secretary of State for Education and Skills the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State. Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy Trust serving notice, the Academy Trust shall repay to the Secretary of State sums determined by reference to :

(a) the value at that time of the Academy Trust's site and premises and other assets held for the purpose of the Academy Trust: and

(b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

25 Related parties

No transactions were undertaken with the Governors, or any businesses in which the Governors have business interests, during the period.

Donations of E3,610 were received from the Dane Court Grammar School Parents Association, a separately registered charity, during the period.

26 Ultimate controlling party

The Academy is managed by the management team on a day to day basis. Strategic decisions are made by the Board of Governors. There is no ultimate controlling party.

27 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 E10 for the debts and liabilities contracted before he/she ceases to be a member.

Dane Court Grammar and King Ethelbert School Trust
Notes to the Accounts
for the period from 4 March 2011 to 31 August 2012

28 Conversion to an academy trust

On 1st April 2011, Dane Court Grammar School and King Ethelbert School converted to academy trust status under the Academies Act 2010, and all of the operations and assets and liabilities were transferred to the academy trust from Kent Local Authority for no 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.

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

	Unrestricted Funds £	Restricted General Fund £	Restricted Fixed Asset Fund £	Total £
Tangible fixed assets				
- Freehold land and buildings			37,751,289	37,751,289
Other tangible fixed assets			463,345	463,345
Budget surplus/(deficit) on LA funds	796,612	-		796,612
Badger surplus/(deficit) on other school funds	102,535			102,535
LGPS pension deficit		(1,400,000)		(1,400,000)
Other identified assets and liabilities	(44,480)			(44,480)
Net assets/liabilities	85,667	(1,400,000)	38,263	37,667

The above net assets include £899,147 transferred as cash.

On conversion to academy status the freeholds of both schools' land and buildings was donated to the Academy Trust, and are included in fixed asset at their gross value to the Academy Trust as at 1st April 2011.

The Governors have used the reinstatement costs for insurance purposes as a reasonable estimate of the value of the King Ethelbert School land and buildings. Buildings to the value of £18,142,700 have been included on this basis. The value of the King Ethelbert School land has been estimated at £500,000.

The values used for the Dane Court Grammar School buildings (£17,006,746) and land (£2,101,843) are derived from the valuation as at 31 August 2012 that was commissioned by the EFA for the purposes of the Whole of Government Accounts ReWm. The Governors are of the opinion that this value is not materially different to the value at the date of conversion.

Other assets donated on conversion are shown within furniture, plant and equipment and computer equipment and software, and have been included at a total value of £463,345 based on the Governors estimate of their gross value to the Academy Trust.

Dane Court Grammar and King Ethelbert School Trust
Detuned Income Account
for the period from 4 March 2011 to 31 August 2012
for the information of the Governors only

	King Ethelbert 2012 f	Dane Court 2012 f:	Total 2012 l:
General Annual Grant (GAG)	5,633,720	8,139,733	13,773,453
DfE/EPA capital grants	22,935	48,079	71,014
Other DfES grants			
Other DfE/EFA grants	352,187	97,686	449,873
	352,187	97,686	449,873
Other government grants	151,038	131,927	282,965
	151,038	131,927	282,965
Fixed assets inherited on conversion	18,803,385	19,411,249	38,214,634
Opening LGPS liability inherited	(871,000)	(529,000)	CI,400,000)
Transfer of other assets on conversion	400,594	454,073	854,667
Donations - capital		9,072	9,072
Other donations	11,280	60,422	71,702
	18,344,259	19,405,816	37,750,075
Other income			
Interest receivable	2,293	3,664	5,957
School trips income	48,373	252,640	301,013
School uniform sales		52,501	52,501
Other income	43,249	47,321	90,570
Catering income	123,891		123,891
Income from facilities	6,477	8,520	14,997
	224,283	364,646	588,929
Total Income	24,728,422	28,187,887	52,916,309

Dane Court Grammar and King Ethelbert School Trust
Detailed Expenditure Account
for the period from 4 March 2011 to 31 August 2012
for the information of the Governors only

	KWg Ethelbert 2012 C	Dane Court 2012 f	Total 2012 C
Staff costs			
Teaching	3,479,234	5,707,486	9,186,720
Educational support	522,835	427,206	950,041
- Premises	214,378	72,325	286,703
- Admin & Clerical	401,120	375,251	776,371
Other staff costs	33,193	44,536	77,729
Allocated to costs of activities for generating funds	(20,056)	(134,523)	(154,579)
Total GAG staff costs	4,630,704	6,492,281	11,122,985
Maintenance of premises			
Buildings maintenance	99,428	43,952	143,380
Grounds maintenance	28,434	27,291	55,725
	127,862	71,243	199,105
Other occupancy costs			
Cleaning and caretaking	14,921	133,864	148,785
Water	39,511	15,858	55,369
Light and heat	132,605	154,061	286,666
Rates	40,079	56,270	96,349
Insurance	54,252	55,377	109,629
Security	7,085	8,995	16,080
Other	43,276	41,532	84,808
	331,729	465,957	797,686
	331,729	457,980	789,709
Educational supplies and services			
Books	28,408	62,977	91,385
Educational equipment	87,706	59,492	147,198
Stationery and materials	13,721	87,336	101,057
Transport	22,101	2,443	24,544
Examination fees	90,620	219,515	310,135
Professional curriculum services	280,521	36,074	316,595
	523,077	467,837	990,914
Other supplies and services			
Bought in professional services	49,844	46,354	96,198
Auditors' remuneration	3,975	3,975	7,950
Auditors' other fees	3,798	3,798	7,596
Bank interest and charges	3,004	20	3,024
Catering		65,953	65,953
Other support costs	84,073	128,215	212,288
	144,694	248,315	393,009

Dane Court Grammar and Mug Ethelbert School Trust
Detailed Expenditure Account
for the period from 4 March 2011 to 31 August 2012
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Furniture and equipment			
Equipment not capitalised	2,606	24,124	26,730
Repairs and maintenance	3,886	3,639	7,525
	6,492	27,763	34,255
Technology costs (not capitalised)			
Hardware/ICT learning resources	18,167	12,570	30,737
Software		2,874	2,874
Consumables	24,140	10,658	34,798
IT managed service, support and broadband	248,973	289,449	538,422
	291,280	315,551	606,831
Staff development	16,334	43,305	59,639
OTHER RESTRICTED EXPENDITURE			
Trips	48,373	260,045	308,418
OTHER EXPENDITURE			
Staff costs	20,056	134,523	154,579
Student uniforms		19,438	19,438
Other occupancy costs	-	7,977	7,977
Support costs	-	52,873	52,873
Catering staff costs	115,760	-	115,760
Other catering costs	98,642	-	98,642
Other	-	185	185
	234,458	214,996	449,454
DEPRECIATION	581,164	591,624	1,172,788
FRS 17 pension charges			
FRS 17 pension charge	(26,000)	(14,000)	(40,000)
LGPS finance costs	57,000	35,000	92,000
	31,000	21,000	52,000
TOTAL EXPENDITURE	6,967,167	9,159,067	16,126,234