



Education
Funding
Agency

2011/12 Accounts Return

Guidance notes

To be read in conjunction with the
2011/12 Accounts Direction

September 2012

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Part 1 – Introduction

These notes are designed to be read in conjunction with the 2011/12 Accounts Return (the 2011/12 Return or the Return) and the 2011/12 Accounts Direction. The notes explain how to complete the Return and how to submit the completed Return to the Education Funding Agency (EFA).

As well as the EFA's consolidated financial statements academies' financial statements will also be included in higher level consolidated financial statements such as the Department for Education (DfE or Department) and ultimately those of the whole Government, the Whole of Government Accounts (WGA).

The Return is split into three separate returns that focus on a specific user group, as described below. Throughout the Return additional analysis is often required to enable the correct identification of academy balances with the wider DfE group of organisations, which is composed of the core department, its executive agencies and directorates as follows:

- Department for Education (DfE);
- Education Funding Agency (EFA);
- Teaching Agency (TA);
- National College for School Leadership (NCSL);
- Standards and Testing Agency (STA);
- Children and Family Court Advisory and Support Service (CAFCASS); and
- Office of the Children's Commissioner (OCC).

Collectively these bodies are referred to as the DfE Family.

1.1 Scope of the 2011/12 Accounts Return exercise

Organisations included within the exercise

Throughout this document and the associated Return, academies is defined to include the following entities:

- sponsored academies;
- convertor academies;
- Free Schools;
- university technical colleges;
- special schools; and
- studio schools.

The Return data set

The Return is designed to capture the financial results and position of academies as at 31 August 2012; which explains the reliance placed on academies' audited financial statements for the period ended 31 August 2012.

Only academies that are preparing financial statements as at 31 August 2012 should complete the Return. Academies that are in existence (ie the charitable company has been incorporated) but who are not preparing financial statements to 31 August 2012 should not complete this Return. An alternative return will be issued by the EFA for such academies to complete with a data date of 31 March 2013.

1.2 The Return structure

The Return is split into three segments, which have different purposes:

- **Financial Return** (Fin.Return) – Provides EFA and DfE with sufficient information to consolidate the academies’ financial positions and results into EFA and DfE’s consolidated financial statements. This return is predominantly sourced directly from the academies’ audited financial statements.
- **Counterparty Return** (Co.Return) – This return is similar to the Financial Return but is focused on identifying academies’ balances (transactional and period end), for the period ending 31 August 2012, with Government bodies other than the DfE Family. Balances identified in this return will be used in the preparation of the WGA.
- **Benchmarking Return** (Bench.Return) – This return will be used to enable benchmarking between academies. Information from the return will be published by the Department at individual academy level to support transparency and closer comparability between the income and expenditure data of local authority maintained schools and academies.

1.3 Mapping to previous academy returns

The table below maps previous returns and submissions completed by academies to the 2011/12 Return described in these guidance notes. The mapping aims to strengthen the point that the 2011/12 Return is designed to replace all previous academy returns and/or submissions.

Previous Academy Returns	2011/12 Accounts Return
<p>2010/11 AAR</p> <p>Summary financial information extracted from academy’s audited financial statements.</p> <p>Information used to enable benchmarking across academies.</p> <p>Completed with data as at 31 August 2011.</p>	<p>2012 Benchmarking Return</p> <p>Summary financial information extracted from academy’s audited financial statements.</p> <p>Information used to enable benchmarking across academies.</p> <p>Completed with data as at 31 August 2012.</p>
<p>10/11 CPB Return</p> <p>A return issued to academies to fill data collection gaps within the 2011 AAR.</p> <p>Only applicable for academies with filed financial statements as at 31 August 2011.</p> <p>Completed with data as at</p>	<p>2012 Counterparty Return</p> <p>Applicable to all academies.</p> <p>To complete with data as at 31 August 2012.</p>

31 August 2011.	
2011 Not applicable Academies' financial results were not consolidated into EFA or DfE financial statements.	2012 Financial Return Majority of data fields extracted from academy's audited financial statements with varying degrees of changes. Extensive 2011/12 Return to support the full consolidation of all academies' financial results and financial statement disclosures. Completed with data as at 31 August 2012.
Audited annual report and financial statements as at 31 August 2011.	Audited annual report and financial statements as at 31 August 2012.

1.4 The Return length

Whilst the Return is extensive, nothing goes beyond what is required to prepare the EFA or DfE's consolidated financial statements, WGA and the academy benchmarking exercise.

It is not expected that academies will have to complete all the cells on all three returns. For example the latter stages of the Fin.Return may only apply to a handful of the larger academies. However, for purposes of completeness and an audit trail EFA/DfE require positive confirmation from the academies, via the finance director declaration, that they do or do not have such balances.

We do not expect every line of the Co.Return to be completed either. Once the required balances have been identified it is just a measure of finding the counterparty's name in the dropdown boxes provided.

Lastly the Bench.Return whilst not directly transferrable from the academy's financial statements should not prove overly complicated to complete.

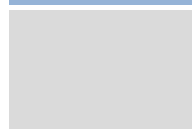
1.5 Data entry

Throughout the Return (ie Fin.Return, Co.Return and Bench.Return), only cells shaded require data entry. The cell shading is consistent across the three returns and the standing data worksheet to aid completion.

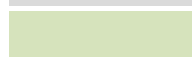
Cell shading:



Non-financial data cells whose contents are either found from dropdown boxes or typed directly into the cell.



Cells that populate from elsewhere in the Return, either automatically from lookups or from data previously entered by academies.



Cells that are sourced directly from the academy's financial

	statements.
	Cells that require: <ul style="list-style-type: none"> ▪ aggregation or dis-aggregation of existing academy financial statement disclosures; and ▪ disclosures additional to the SORP-based academy's financial statement
	Cells that are FReM-based disclosures that require a re-working of SORP disclosures.
	Cells that are available for academies to make notes, calculations etc.

1.6 Logic validation

Dispersed throughout the Return are logic checks to ensure that different parts do not conflict with each other; for example the note totals to the primary statements (SoFA and balance sheet). Such logic checks can be identified by “**Check**” in the Return. Failures are shown by “**Error**” appearing alongside or below the failed cell.

There are error counters located at the top right of the returns to highlight any failures in the returns. The Return should not be submitted whilst there are still error messages outstanding.

1.7 Submission of a group return by federations

Federations that prepare consolidated financial statements must submit a consolidated 2011/12 Accounts Return.

About 20% of academies belong to federations; with the federation reporting consolidated financial statements covering all their academies. Therefore, the federation's lead academy is required to compile a consolidated Return for the group, based on the federation's consolidated financial statements.

The federation should list all academies included within the group in the space provided on the worksheet titled 'Standing Data'.

The members of the federation disclosed on 'Standing Data' should be consistent with those included in the consolidated financial statements. Those academies in federations but not included within the consolidated financial statements, possibly due to the timing of their entry, should submit their own Return.

1.8 Deadline for submission

The completed Return must be submitted to EFA by 31 December 2012. We require the academies' auditors to submit the Return on behalf of the academies once the auditor declaration has been completed at the foot of the 'Standing Data' worksheet.

1.9 Submission and sign-off

The Return must be submitted to the EFA via the following mailbox:
Academieswga.EFA@education.gsi.gov.uk

The completed file, the Financial Return, the Counterparty Return and the Benchmarking Return, must be signed off by the academy's finance director.

The completed file, the Financial Return, the Counterparty Return and the Benchmarking Return, must be signed off by the academy's external auditors to certify that Return balances are consistent with the audited financial statements.

The finance director and auditors' declarations are at the foot of the 'Standing Data' worksheet.

The academy should retain a signed copy of their submission for their records.

1.10 Guidance on the submission of the Return

Before submitting the Return to the mailbox

Before you send the completed file, you will need to prepare your file in the following way.

The following instructions assume you already have the Return open. Please ensure only one file is open at a time; otherwise key elements of this process will not work.

Documents that need to be returned can be downloaded from the Department for Education website.

Submissions of completed Return

If you are using Microsoft Office Excel 2007 and above (preferred versions) follow the process below

- It is essential that your academy name or federation is selected in named cell in the 'Standing Data' worksheet of the Return.
- Select the academy or federation name from the drop-down list in the Return you are working on.
- If you are a new federation submitting a single return and your federation name is not in the drop-down list, please select an academy within the federation. Please note that only one submission is required from a federation.
- Your name may be similar to another academy – double check this by ensuring that the UPIN shown on the 'Standing Data' worksheet is correct.

N.B Ensure that macro setting is enabled on your PC.

To ensure macro setting is enabled:

- click on file from the menu bar, select options from the list,
- click on Trust centre,
- click on Trust centre settings,
- select macro settings from the list,
- tick the "Enable all macros", and click ok.

To save the file

- Ensure that only one file is open at a time; otherwise the macro will not save the correct filename if more than one Excel file is open. **It is essential that when saving the completed return you have no other files open.**
- Click on the keyboard “CTRL and s”, a ‘save as’ box prompt will come up with the name convention of local authority establishment number and type of file. Save the file to your desktop. N.B Please check that the correct local authority establishment number has been selected for your academy.

Then send the file as an attachment to the mailbox

Academieswqa.EFA@education.gsi.gov.uk

If you are using Microsoft office that is before Excel 2007 follow the below process

This is because the macro functionality does not work in this version. Therefore you have to manually save the file as follows

To save the file:

- Select the academy name or federation from the drop down list in the Return.
- For new federations submitting a single return for the academies within the federation:
 - If the federation name is not in the drop down list, the user should select an academy within the federation from the drop down list.
- From the open file toolbar, click on file from the menu bar and select ‘save as’.

The naming convention should be “UPIN_2012AR”.

For example, an academy with UPIN 888123 would save the file as “888123_2012AR”. The UPIN can be found in the return when the academy name is selected from the drop down list

Then send the file as an attachment to the mailbox

Academieswqa.EFA@education.gsi.gov.uk

What do I do if I have any problems with submitting the returns to the mailbox?

If you are having problems submitting the completed returns, please contact us at:

Academyquestions@efa.education.gov.uk

Part 2 – Financial return

2.1 Introduction

The Financial Return (Fin.Return) will be used by EFA as the basis of the consolidation of academies' financial results and position into to the group financial statements of EFA; and thence into DfE. Each academy will populate their Fin.Return from their own audited financial statements for the period ended 31 August 2012.

The majority of entries in the Fin.Return will be sourced directly from the financial statements without any amendment. Some entries will require some degree of aggregation of financial statement balances, others will require disaggregation of financial statement balances and a third category require completely new balances that do not map to existing SORP disclosures.

Sign convention

The Fin.Return sign convention follows the normal financial statement sign convention; which is dependent upon the specific primary statement and/or note in which the balance is found. For example in the Statement of Financial Activities (SoFA) both income and expenses are positive since they are clearly denominated. Elsewhere it may be different and fluid; entries in the notes to the financial statements are always positive if they are the expected value for that specific note. For example both debtors and creditors are represented as positive numbers since they have specific notes that clearly separate the balances.

Throughout the Fin.Return entry cells have been annotated, once the cursor has been placed in the cell, with details of the sign convention to be followed. Cell values have also, where possible, been restricted to prevent incorrect entries.

Local guidance notes

Guidance notes local to the location in the Fin.Return can be found by placing the cursor in the cell coloured red with '**Notes**' within it.

Additional more extensive notes for specific issues can be found below.

2.2 Specific guidance

Revenue grants

As part of the consolidation process at both EFA and DfE level, all academy balances with members of the DfE Family will need to be identified and eliminated. Therefore, unlike SORP, which requires grants to be disclosed based on programme type; EFA requires grant funding income to split by issuer body.

Staff costs

SORP does not require academies to present separately staff costs dependent upon employment status (permanent and interim/temporary). Accounting standards applicable to EFA/DfE require this. Therefore, please can academies analyse their total staff costs

as disclosed under SORP between staff members on permanent contracts and those on temporary or interim contracts.

Fin.Return has a logic check to highlight where the analysis does not agree to SORP disclosures.

Accrued holiday pay

Again, due to differences in accounting requirements between SORP and FReM academies are required to quantify the value of holiday not taken as at the balance sheet date.

Staff numbers

SORP requires disclosure of the number of staff (full time equivalent) undertaking an academy's charitable activities. EFA require such an analysis for all staff at the academy; again split by employment status. To allow for an audit trail we require academies to complete their SORP disclosures and then provide additional fuller disclosures for all staff employed by the company.

A logic check is in place to highlight incorrect entries whereby charitable activities are higher than all activities.

Fixed assets

There are two reasons for the additional disclosure requirements. The first is to allow EFA to compare depreciation rates across all academies, and itself, to allow for a consistent approach to useful economic lives and depreciation rates.

The second is to confirm, and populate if in existence, if academies have re-valued assets. Historic asset values will be required for disclosures purposes if revaluations have occurred.

Counterparty analysis – debtors and creditors

Unlike SORP EFA and DfE are required to disclose their debtor and creditor balances both by class and counterparty type. Academies are requested to re-analyse their closing balances for both debtors and creditors and identify all balances with Government bodies.

A breakdown of Government bodies by counterparty type is provided on the 'CP IDs' worksheet to help the analysis. This analysis is required for all academies.

Provisions for liabilities and charges

Disclosure requirements applicable to EFA and DfE, set out in the FReM, require provisions to be broken down into the headings provided; SORP does not require any breakdown across provision types. The analysis, for those academies with multiple provisions, should not prove too arduous since it should be easily sourced from accounting records.

EFA also require a maturity analysis across the usual three financial reporting timesteps. The totals here must agree to those in the provision class given previously.

Pension schemes

The majority of the pension disclosures are as required by SORP. The largest change is EFA's need to identify the different pension schemes and classify them depending upon scheme type (eg defined benefit and defined contribution). Other than the scheme analysis required in the amber cells all other disclosures should be a straight lift from the academy's financial statements.

Only some defined benefit schemes, either single employer or multi-employer schemes with allocated assets, require the extensive disclosures to be populated.

Operating lease commitments

Under SORP operating lease commitment disclosures are based on the annual cost of each lease being reported in a maturity band of when the lease expires. However for EFA and DfE the FReM mandated disclosures require the whole remaining cost of the lease to be apportioned across the timesteps.

Therefore, EFA disclosures will be larger than under SORP; for instance a lease with 10 years remaining with an annual cost of £10,000 would only be disclosed as £10,000 in the 'More than five years' timestep. For EFA and DfE all three timesteps would have disclosures relating to the lease, £10,000 in 'Under one year; £40,000 for 'Two years to five years' and £50,000 for 'More than five years'.

A worked example is given below to contrast the different approaches:

Lease A – 10 years remaining at £10,000 per year

Lease B – 4 years remaining at £5,000 per year

Lease C – 2 years remaining at £15,000 per year.

	Lease A	Lease B	Lease C	Total
	£000	£000	£000	£000
SORP				
Within one year	-	-	-	-
Within two and five years	-	5	15	20
Over five years	10	-	-	10
	<hr/>	<hr/>	<hr/>	<hr/>
	10	5	15	30
	<hr/>	<hr/>	<hr/>	<hr/>
Required				
Within one year	10	5	15	30
Within two and five years	40	15	15	70
Over five years	50	-	-	50
	<hr/>	<hr/>	<hr/>	<hr/>
	100	20	30	150
	<hr/>	<hr/>	<hr/>	<hr/>

Finance lease disclosures

Similar disclosures are required for all finance leases held by academies. There are not expected to be many academies with finance leases, but the disclosures have been added for completeness. The same change in disclosure methodology is required as that for operating leases.

Losses and special payments

Disclosure is required by all Government departments, and their consolidated bodies, of losses and special payments under the terms of the HM Treasury policy titled *Managing Public Money*. The terms of the disclosures require academies to capture payments that fall into the categories provided for inclusion in EFA/DfE's consolidated financial statements.

For more information regarding losses and special payments please refer to:

- Losses and write-offs - annex 4.10 of *Managing Public Money*;
- Gifts – annex 4.12 of *Managing Public Money*; and
- Special payments –the relevant section of the *Academies Financial Handbook*

Please list out all applicable payments and losses in the space provided, overtyping the details of the payment in column B. Please also fill in the details as to when the loss/payment occurred (recognition date) and when the payment occurred. If the payment/write-off has not yet occurred as at the balance sheet date leave the cell in column I blank.

In a lot of cases these two dates will be the same but not always which is why we require the split. The dropdown box in column J will allow academies to identify the type of special payments and losses.

Other commitments

Other commitments are split between PFI and other (non-PFI) balances. Consolidation of the reported balances at different levels of the DfE Family requires the additional analysis.

Contingent liabilities / assets

Please provide a breakdown of all the academy's contingent liabilities and assets if in existence. As well as the closing position a movement schedule across the period is also required.

Please provide sufficient description of the balances to allow for an understanding of the underlying issue by EFA/DfE staff.

Related parties

Whilst academies will include related party transaction disclosures in their own financial statements, such disclosures will not be appropriate for either EFA or DfE. The disclosures contained in an academy's financial statements will be based on the related parties for the academy, not those EFA or DfE staff.

EFA and DfE will require disclosure of related party transactions between bodies related to their own senior management teams and academies' suppliers/customers. Included within the AAR are two lists of all related bodies for both EFA and DfE. Academies will need to use the two lists and review their closing balance sheet and transactions throughout the period to identify any transactions with identified parties.

Please overtype the cells in Fin.Return with the data as required.

Exit packages

EFA/DfE disclose breakdowns of employee exit packages agreed during the period of the financial statements. Consequently to enable the consolidation of academies into the EFA and DfE consolidated financial statements academies need to provide similar disclosures.

The EFA/DfE disclosures are split between Civil Service and other exit schemes, although it is expected that only non-Civil Service schemes will be applicable to academies. The value of the packages disclosed is the total cost (including pension contributions) not just sums paid directly to the leaving employees.

Part 3 – Counterparty return

3.1 Introduction

A consequence of the decision to consolidate academy's results into the Government published financial statements is the need to identify all transactions between and closing balances with academies and government bodies during the period ended 31 August 2012. All balances between academies and Government bodies need to be identified so that they can be removed during the consolidation process that aggregates academy financial data with Government bodies' financial data.

The method chosen to report academies' identified Government balances is the Counterparty Return contained within the 2011/12 Accounts Return; the worksheet titled 'Counterparty Return'.

Scope

All academies producing annual reports and financial statements as at 31 August 2012 should complete the Counterparty 2011/12 Return.

The Counterparty Return is needed as academies' financial statements do not contain sufficient detail on counterparty balances.

What this note contains

This note sets out:

- how to complete the Counterparty Return (Part 1); and
- how to use information in your audited financial statements to prepare the Counterparty Return (Part 2).

3.2 Part 1 – guidance on completing the counterparty return

Before you start

Signage conventions

- assets and expenses are entered as positive numbers;
- liabilities and income are entered as negative numbers;
- reserves in surplus are negative; and
- reserves are positive if they represent a deficit.

Entering data into the Counterparty Return

- Data **must be** entered in units of £000s;
- Financial statement totals (eg tangible fixed assets, debtors) will populate automatically from the Financial Return;
- Use the dropdown boxes in column G to populate the counterparty's identity;
- Enter the value of the balance in column E; and

- The unique reference code of the counterparty will populate automatically from the entry in column G.

Step 1 – transactions between the academy and other public bodies for the period ended 31 August 2012

Identify transactions between the academy and other public bodies included within the financial statements for the period ended 31 August 2012.

For each category of transaction/closing balance give a breakdown by selecting the public body from the dropdown box in column G.

Step 2 – balance sheet

Provide a breakdown of closing assets and liabilities with other public bodies, based on financial statement classifications. The Return will populate the correct financial statement caption balance.

The Return will check to make sure the breakdown provided by the academy does not exceed the financial statement balance provided in the Financial Return.

Step 3 – statement of financial activity

Provide a breakdown of income and expenditure with other public bodies, based on financial statement classifications. The Return will populate the correct financial statement caption balance.

The Return will check to make sure the breakdown provided by the academy does not exceed the financial statement balance provided in the Financial Return.

3.3 Part 2 – guidance on classifying academy financial statement into the counterparty return

Academies' own financial statements are the key resource for preparing the Counterparty and Financial Returns. This part of the guidance explains how to use the financial statements to populate the Counterparty Return.

The main entries in the financial statements that are significant for the Counterparty Return include:

- Tangible fixed assets;
- Debtors;
- Creditors;
- Grant income;
- Business rates; and
- Sale and purchase of goods and services.

Other captions, such as intangible assets, have been included in the Counterparty Return for completeness so that the Counterparty Return can be reconciled to the academy's financial statements via the Financial Return.

Assets

Asset type	Recommended approach
Tangible assets (eg land and buildings)	Where land and buildings have been transferred from local authorities during the financial period ended 31 August 2012, the net book value of the transferred assets, as per the financial statements, should be disclosed as well as the name of transferring local authority. The separate value of land and buildings transferred should be disclosed separately as set out in the Return.
Surpluses and Deficit transferred	If surpluses and deficits were transferred from local authorities during the financial period ended 31 August 2012, the value of the transfer should be disclosed in the correct box on the Return. As always the name of the local authority should be found in the dropdown box.
Debtors and other receivables	If the academy has debtor balances with public bodies as at 31 August 2012, the debtor value will need to be included in column E and the name of the counterparty found in the dropdown box in column G. The Return analyses debtors following the financial statement basis. An additional category of Government grants has been extracted from prepayments to better highlight DfE counterparties.

Liabilities

Liability type	Recommended approach
Creditors	If the academy has recognised creditors owed to public bodies the sums and identities of the counterparties should be included in columns E and G. As for debtors the analysis follows the financial statements. Due to PAYE/NIC and VAT it is expected that there will always be some counterparties identified.

Incoming resources

Income type	Recommended approach
Government grant income	<p>All Government grant income receivable for the period, and the body who is responsible for paying, should be identified within the 'Funding for the academy's educational operations' section.</p> <p>Income and expenditure analysis follows that taken in the financial statements.</p>
Donations in kind	<p>Donations are included under the heading 'Voluntary income'.</p> <p>For convertors (academies that converted during the period ended 31 August 2012), include all income related to assets transferred from local authorities and new buildings procured through Partnership for Schools.</p>
Income from education in training	<p>Include fees from courses and training events provided to any public body for the period ended 31 August 2012.</p>
Sales of goods and services	<p>If the academy has provided any goods or services, and non-trading income, to public bodies recognised in the financial statements then include the sums, and counterparty's name, under the appropriate heading found from the SoFA.</p>

Resources expanded

Expense type	Recommended approach
Business rates	<p>Rates recognised in the financial statements and the local authority they are due to.</p>
Wages and salaries	<p>If the academy's has paid any wages and salaries for staff of public bodies then it should be included here.</p>
Employer's pension contributions	<p>Analyse the employer pension contributions payable to the different pension schemes, with the counterparty identified.</p>
Rentals	<p>Balances payable under operating lease rentals, especially buildings, with public bodies.</p>
Purchase of goods and services	<p>Please include here any sums recognised for purchasing goods and services, and other items, from public bodies.</p> <p>Please identify the nature of the goods and the SoFA caption they are included in in the comments section.</p>

Part 4 – Benchmarking return

4.1 Revenue income

Grant funding

Include all revenue grant funding receivable in the period, broken down into the following sub-headings:

- **EFA GAG** – include the full General Annual Grant receivable from the EFA but do not include the Pupil Premium or Funding for 6th form students (see below).
- **Funding for 6th form students** – include all funding from public sources including the EFA for 6th form students. Do not include any voluntary sources of funding for 6th form students (see below).
- **SEN funding** – include all funding provided by any local authorities for pupils with special educational needs.
- **EFA start-up grant part A** – if receivable, include the formulaic grant awarded to traditional sponsored academies for teaching and learning materials.
- **EFA start-up grant part B** – if receivable, include the formulaic grant awarded towards staff costs at traditional academies that are not at capacity (diseconomies funding), subject to certain limits, any other formulaic allocations of start-up grant and any additional start-up grant awarded on the basis of a specific bid from the academy.
- **Pupil Premium** – include all pupil premium funding receivable including from the EFA and any local authorities.
- **Other DfE grants** – include all other revenue grants received from the DfE and EFA. This should include any funding for pupil-focused extended academy activities.
- **Other Government grants** – include all revenue grants receivable from other Government sources (ie not the DfE and the EFA) that are not included in the lines above. This should include, but is not limited to, grants receivable from the local authority (but not for SEN), other DfE bodies (ie the Teaching Agency and the National College) and any Government funding intended to promote access and opportunity for minority ethnic pupils in support of English as an additional language or as part of a wider focus on raising attainment.
- **Other grants and payments received** – include any other grants and payments received such as:
 - Big Lottery Fund or lottery grants;
 - European Union funding;
 - milk subsidy;
 - income from recycling refunds; and
 - any other non-government sources of funding to be attributed to pupil-focused extended academy activities.

Do not include any Government grants or payments in return for the academy providing a service (these should be recorded under the self-generated income categories below). Only include payments receivable from other schools or academies if these are not in

return for a service provided. Payments that are not in return for a service could include payments from a partner academy to meet supply cover costs that will enable your academy to participate in development activities organised by the partner academy.

Self-generated income

Include all revenue grant income receivable, broken down into the following sub-headings in the Benchmarking Return:

- **Income from facilities and services** – include all income receivable from facilities and services including:
 - income from assets such as the outbound hire of premises or equipment;
 - income from meals provided to external customers, including other schools or academies;
 - income for consultancy, training courses and examination fees;
 - any interest payments receivable from bank accounts held in the academy's name and gift-aid receipts;
 - income from sale of school uniforms, photocopying, books etc.;
 - income from before and after school clubs;
 - income from resale of items to pupils, eg musical instruments;
 - income from non-catering vending machines;
 - income from a pupil-focused special facility;
 - rent deducted off the site manager's salary; and
 - income from universities for student/teacher placements.

Do not include payments receivable from other schools or academies for which you have not provided a service or income from community-focused facilities.

- **Receipts from other insurance claims** – include all insurance receipts in respect of claims for losses incurred (apart from supply teacher absence claims).
- **Income from contributions to visits etc.** – include income from parental contributions requested by the academy for events within the period of the financial statements, eg field trips, boarding fees, payments to the academy for damage done by pupils, etc. Do not include donations not expressly requested by the academy.
- **Income from catering** – include all income receivable from academy catering, milk provision and catering vending machines where the academy runs its own catering service. Also include any income collected on behalf of contractors. Do not include receipts for catering for external customers (see above). Payments received from catering contractors (eg where they have previously overcharged) should be offset against the relevant expense header.
- **Receipts from supply teacher insurance claims** – include all payments receivable from staff absence insurance claims to cover the cost of supply teachers.
- **Other income – revenue** – include any other revenue income not covered by the above categories.
- **Donations and/or voluntary funds – revenue** – include all revenue donations and/or voluntary funds that are receivable by the academy during the financial year. This should include all income from private sources under the control of the academy

and available for its purposes including: income provided from trust funds to support educational needs at the academy; business sponsorship; income from fund-raising activities; and any contributions from parents that are used to provide educational benefits for students.

Sums that were recognised in income in previous years but have not yet been spent should not be included within the analysis as such sums have not been recognised in the academy's financial statements for the period ended 31 August 2012. Do not include any capital donations or donations into an endowment fund.

Community focused academy income

Include all grants, funding and income receivable associated with running community focused facilities or activities. If the academy receives income where they have directly employed someone or contracted a third party to facilitate a community-focused facility or activity rather than a pupil-focused one (ie the facility/activity is primarily for the benefit of the wider community rather than their pupils), this income should be recorded here. In contrast, the income receivable from facilities which are primarily for the benefit of their pupils and the academy, but are leased out to third parties not directly employed or contracted by the academy, should be recorded under the relevant categories above.

4.2 Capital income

Include all capital grant funding, income and donations receivable, broken down into the following sub-headings:

- **DfE capital grant** – include devolved formula capital grant payable by EFA and other capital grants paid directly to the academy by the DfE for new buildings and other major capital projects.
- **Donations into endowment fund** – include all donations payable into endowment funds arising under a deed of gift with a sponsor.
- **Other donations and/or voluntary funds – capital** – include all capital donations and/or voluntary funds. This should include all capital donations from private sources under the control of the academy and available for its purposes and all donations dedicated for use as capital funds.
- **Other income – capital** – include all other capital income such as proceeds from the sale of fixed assets.

4.3 Funds inherited on conversion

Include the value of the net assets held by predecessor school(s) at the point of conversion to an academy, which were transferred to the academy. This will comprise fixed assets and current assets offset by liabilities.

Normal asset and liability sign convention should be followed: net assets as positive numbers and net liabilities as negative numbers.

4.4 Revenue expenditure

Staff costs

Include the full costs of employment for staff employed directly by the academy including gross pay, bonuses, overtime and allowances, maternity and sick pay, employer's national insurance and superannuation contributions. Do not include any staff not directly employed by the academy (eg contractors or agency staff). Costs should be broken down into the following sub-headings:

- **Teaching** – include all teachers employed directly by the academy including all contracted full-time and part-time teachers and any supernumerary or peripatetic teachers on short-term contracts. Also include threshold payments and other payments relating to teacher pay reforms. Do not include supply teachers.
- **Teaching supply** – include all supply teachers directly employed by the academy who are covering curriculum release, long-term absence, sickness absence or training absence.
- **Education support** – include all staff directly employed by the academy in support of pupils' learning but who are not teachers. For example: teaching assistants, learning support assistants, childcare staff, librarians, nursery assistants, pianists, supply education support staff, educational welfare officers, cover supervisors, laboratory, workshop and technical assistants and technicians, exam invigilators and exam officers, and foreign language assistants.
- **Administrative and clerical** – include all staff directly employed by the academy as business managers, bursars, finance directors, office administrators, finance officers, clerk to the governing body, attendance officers, PAs, secretaries, receptionists, telephonists, typists and other administrative staff. Do not include any staff employed to manage the academy's special facilities.
- **Premises** – include all staff directly employed by the academy as caretakers, cleaners, security staff, staff employed on routine and long-term maintenance, grounds staff, porters and messengers. Do not include any staff employed to manage the academy's special facilities.
- **Catering** – include all catering staff directly employed by the academy as cashiers, chefs and cooks, kitchen porters, servers and snack bar staff. Do not include meal time assistants. Do not include any staff employed to manage the academy's special facilities.
- **Other staff** – include all other staff directly employed by the academy and not covered above such as: mid-day supervisors, meal time assistants, boarding staff of a residential academy, escorts (eg for pupils with medical or special educational needs), liaison officers, staff employed to manage and support pupil-focused special facilities available at the academy, staff supervising students during before and after academy sessions or clubs and during breaks, youth workers, nurses and medical staff.
- **Staff restructuring costs** – include all costs relating to redundancies, early retirements and severance packages.
- **Indirect employee expenses** – include recruitment costs, staff travel, subsistence and other out-of-pocket expenses, duty meals, medical fees, childcare vouchers,

payments to site service officers (caretakers, school keepers) for expenses such as house gas, rates, council taxes, electricity and telephone rental.

- **Development and training** – include the development and training costs for all staff (directly and not directly employed) at the academy, cost of all in-service training courses and other development opportunities, cost of equipment and resources to provide in service training.
- **Staff-related insurance** – include cover for non-teaching staff absence. employee-related insurance premia for accident and liability, assault, fidelity guarantee, libel and slander.

Maintenance of premises

Include all costs relating to the maintenance or repair of premises other than costs of directly employed staff. Costs should be broken down into the sub-headings below. Exclude costs which have been capitalised under the academy's accounting policies. Such costs should be included within the capital section below. Also, do not include costs for the maintenance of special facilities or community-focused facilities.

- **Building maintenance** – include maintenance and repair of buildings including:
 - charges by contractors for internal and external repair and maintenance to buildings and fixed plant, including costs of labour and materials;
 - related professional and technical services, including labour costs where supplied as part of the contract or service;
 - costs of materials and equipment used by directly employed staff for internal and external repair and maintenance to buildings and fixed plant; and
 - fixtures and fittings, eg carpets, curtains, etc.
- **Grounds maintenance** – include maintenance and repair of gardens and grounds, including car parking, play areas, playground equipment, sports fields and pitches on the academy campus. Also include related professional and technical services, including labour costs where supplied as part of the contract or service.

Other occupancy costs

Include all costs, other than staff and maintenance costs, related to the occupancy of the premises and grounds. Costs should be broken down into the following sub-headings:

- **Cleaning and caretaking** – include supplies used in cleaning and caretaking, cost of equipment such as floor polishers, vacuum cleaners and other hardware, charges by contractors for providing a cleaning and/or caretaking service, related professional and technical services.
- **Water and sewerage** – include all costs related to water and sewerage including emptying of septic tanks. Do not include any costs arising from repairs or maintenance to water or sewerage systems (these should be recorded under the earlier maintenance of premises category).
- **Energy** – include all costs related to fuel and energy, including fuel oil, solid fuel, electricity and gas. Do not include any costs arising from repairs or maintenance to energy supplies (these should be recorded under the earlier maintenance of premises category).
- **Rates** – include all non-domestic rates expenditure.

- **Other occupation costs** – include all other occupation costs including rents, lease or hire charges for premises, refuse collection, hygiene services (eg paper towels, toilet rolls, hand driers, etc.), security patrols and services, CCTV/burglar alarm maintenance contracts, landlord's service charges, health and safety costs (including fire-fighting equipment, electrical testing and pest control).

Special facilities

Include all costs payable relating to special facilities such as:

- swimming pools and sports centres;
- boarding provision;
- rural studies and farm units;
- payments by your academy to another school or academy for the benefit of pupils at the other school or academy;
- pupil inter-site travel, ie moving between sites;
- expenses relating to before and after-school clubs;
- delegated home to school transport;
- indirect employee expenses and agency staff expenses relating to a special facility;
- purchase of trading items for resale, eg school uniforms, books etc.;
- charitable donations (payable by the academy to a charity); and
- community education with a benefit to the pupils at the academy.

Do not include costs for directly employed staff associated with managing and supporting the special facility.

Educational supplies and services

Include the costs of supplies and services used directly for educational purposes during the period of the financial statements (for the two learning resources categories, if resources are used for both learning and administrative purposes, costs should be apportioned between the relevant category here and the administrative supplies category below). Costs should be broken down into the following sub-headings:

- **Learning resources (not ICT equipment)** – include all learning resources including: achievement prizes awarded to pupils, books, library charges, classroom and learning equipment, curriculum transport, furniture used for teaching purposes, pupil travel for work experience, purchase, lease, hire or maintenance contracts of audio-visual or other equipment used for teaching, reprographic resources used specifically for teaching purposes, school trips and educational visits, servicing and repairs to musical instruments and PE equipment used as part of the curriculum, subscriptions, publications, periodicals and copyright fees associated with the curriculum, television licence fees used for teaching purposes, payments to alternative provision services, primary school PIP exam costs.
- **ICT learning resources** – include the purchase, lease, hire and maintenance contracts of all computer hardware, software and other ICT equipment used directly for educational purposes. Also include the costs of broadband or other dedicated phone lines.

Do not include costs which have been capitalised under the academy's accounting policies.

- **Examination fees** – include the costs of test and examination entry fees, any accreditation costs related to pupils, and any administrative costs, eg external marking. Do not include the cost of exam resources, like the test papers themselves (these should be recorded under the earlier non-ICT learning resources category).
- **Bought in professional services – curriculum** – include professional services, consultancy and advice purchased during the period from a third party in support of the curriculum such as fees for external educational advisers. This could include ICT consultancy services for the curriculum, payments to any visiting lecturers or speakers, courses purchased for students from external providers, exam invigilators and music teachers who are self-employed.
- **Supply teacher insurance** – include premiums payable to insurers for supply teacher cover.
- **Agency supply teaching staff** – include costs payable to an agency for teaching staff that have been brought in to cover teacher absence including cover of any period and for all reasons (eg illness, absence for training, and any leave).

Community focused academy costs

Include all costs associated with running community focused facilities or activities including the cost of all staff employed directly by the academy for community-focused activities. If the academy directly employs staff or contracts a third party to facilitate a community-focused activity, the associated running costs should be recorded here. In contrast, if the academy lets out its premises to a third party regardless of the activity, the running costs associated with this event should be recorded in the relevant categories above.

Other supplies and services

Include the costs of all non-educational supplies and services, other than occupancy costs. Costs should be broken down into the following sub-headings:

- **Catering supplies** – include non-capital catering equipment, provisions, other supplies used in catering (eg cleaning materials, protective clothing), purchase, rent, lease or hire of catering vending machines, full cost of service contract, related professional and technical services, repairs and maintenance of kitchen equipment, cost of providing free school meals and milk.
- **Bought in professional services – other** – include professional services, consultancy and advice to staff and governors purchased from a third party relating to: management, finance, legal, personnel, premises, clerking service (if a clerk is not directly employed by the academy) and management fees on PPP contracts.
- **Other insurance premiums** – include premises-related insurance, vehicle insurance, accident and public liability insurance for persons not employed directly by the academy and school trip insurance.
- **Administrative supplies** – include all supplies used for administrative purposes such as stationery, printing, reprographics, postage, bank charges, advertising (not for recruitment), telephone charges (but not dedicated internet lines), medical and domestic supplies, purchase, hire lease or maintenance contracts of ICT, furniture and or other equipment not to be used for teaching purposes, subscriptions,

publications, periodicals and copyright fees not related to the curriculum, school publications and any governors' expenses.

- **Other** – include all other administrative supplies and services including audit fees.

Loan interest

Include interest paid on overdrafts and other liabilities.

4.5 Capital costs

Depreciation, amortisation and impairment

Include the full charge, for depreciation, amortisation and impairment, for all classes of fixed asset for the accounting period.

Fixed asset additions

Include the cost of purchasing tangible fixed assets sourced from the academy's balance sheet notes.



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