2013 March Accounts Return

Guidance notes

For academy trusts who did not prepare audited accounts as at 31 August 2012 or trusts whose audited accounts did not include academies that opened after 31 August 2012.

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

March 2013
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Part 1 - Introduction

These notes are designed to be read in conjunction with the 2013 March Accounts Return (the March Return or 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 (the EFA).

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

The Return is split into four 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 trust balances with the wider Departmental group of organisations, which is comprises the core Department, its executive agencies and directorates as follows:

- Department for Education (the Department);
- Education Funding Agency (the EFA);
- Merged Teaching Agency (TA) and National College (NC) (together TA/NC post 1 April 2013);
- 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.

The academy sector is being consolidated into the EFA first and then into the Department. All issues and data requirements set out in this document apply to both the EFA and the Department. Accordingly all references to the EFA will also refer to the Department. Any issues solely related to the Department will be identified.

1.1 Scope of the 2013 March Accounts Return exercise

Organisations included within the exercise

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

- sponsored academies;
- convertor academies;
- Free Schools;
- university technical colleges;
- special schools; and
- studio schools.
These guidance notes refer to academy trusts deliberately to avoid confusion as to the nature of the reporting entity. Academy schools do not prepare financial statements; the schools are the operational unit of charitable companies. The legal requirement to prepare, have audited and file statutory financial statements sits with the charitable companies and arises from the Companies Act 2006. The schools operate as a trading name and/or operational unit of the charitable company. In this way multi-academy trusts, which operate more than one school, have one corporate legal entity (the charitable company) but several operational units and trading names (the schools).

The requirement to file their audited financial statements, and provide information to enable the EFA to fulfil its statutory duty to prepare consolidated financial statements, falls on the directors (trustees) of the charitable companies (the academy trusts). Academy trusts may operate a single school (single academy trust or SAT) or several schools (multi-academy trust or MAT).

**Two reporting dates**

For the purpose of consolidating academy trusts into the EFA’s financial statements, the sector has been split into two:

- Academy trusts that prepared 2012 August Return:
  - Academy trusts fall into this category if they prepared audited statutory financial statements as at 31 August 2012; and
- Academy trusts preparing a 2013 March Return:
  - Newly incorporated trusts that did not be prepare statutory financial statements as at 31 August 2012, but will be preparing financial statements as at 31 August 2013; and
  - Existing MATs that prepared statutory financial statements as at 31 August 2012 and opened new academies between 1 September 2012 and 31 March 2013.

Existing SATs who prepared statutory financial statements as at 31 August 2012 will NOT be required to complete a 2013 March Return. SATs will prepare a 2013 August Return the following August as normal.

Existing MATs who prepared statutory financial statements as at 31 August 2012 will be required to complete a 2013 March Return **IF** they have newly converted academies that opened between 31 August 2012 and 31 March 2013.

MATs can choose to prepare and submit a single 2013 March Return for all newly opened academies or individual 2013 March Returns for each newly opened academy. MATs will prepare a single 2013 August Return for all schools the following August as normal.

Newly incorporated trusts in their first accounting period that did not prepare statutory financial statements as at 31 August 2012, **BUT** have converted schools as at 31 March 2013, are required to complete a 2013 March Return **AND** a 2013 August Return in their first accounting period.

A separate request for the 2013 August Return will be issued in August 2013.
The table below indicates the Returns required for the 20:

<table>
<thead>
<tr>
<th></th>
<th>2012 August Return</th>
<th>2013 March Return</th>
<th>2013 August Return</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Single academy trusts (SATs)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prepared statutory financial statements as at 31 August 2012</td>
<td>✓ Return already submitted</td>
<td>✗ Not required</td>
<td>✓ year end as at 31 August 2013</td>
</tr>
<tr>
<td>Newly incorporated, not prepared statutory financial statements as at 31 August 2012</td>
<td>✗ Not applicable</td>
<td>✓ period from incorporation to 31 March 2013</td>
<td>✓ period from incorporation to 31 August 2013</td>
</tr>
<tr>
<td><strong>Multi-academy trusts (MATs)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prepared statutory financial statements as at 31 August 2012 - unchanged composition of schools</td>
<td>✓ Return already submitted</td>
<td>✗ Not required</td>
<td>✓ year end as at 31 August 2013</td>
</tr>
<tr>
<td>Preparing statutory financial statements as at 31 August 2012 - MAT has new academies converted prior to 31 March 2013</td>
<td>✓ Return already submitted for academies open as at 31 August 2012</td>
<td>✓ New academies for period from conversion to 31 March 2013</td>
<td>✓ year end as at 31 August 2013 for all academies</td>
</tr>
<tr>
<td>Newly incorporated, not prepared statutory financial statements as at 31 August 2012</td>
<td>✗ Not applicable</td>
<td>✓ period from incorporation to 31 March 2013</td>
<td>✓ period from incorporation to 31 August 2013</td>
</tr>
</tbody>
</table>

**The Return data set**

The 2013 March Return is designed to capture the financial results and position of newly incorporated academy trusts (or newly converted academies in existing MATs) as at 31 March 2013.

Newly incorporated academy trusts included within the scope of the 2013 March Return exercise should complete the 2013 March Return. They will then have to complete a second return as at 31 August 2013 (the 2013 August Return) when they will also prepare their first period’s audited statutory financial statements.

Due to the similarities and scope of the 2013 March Return trusts may want to prepare ‘hard close’ financial statements as at 31 March 2013 as an interim step to populating the 2013 March Return. Hard close financial statements would then act as a test for preparing the following August’s statutory financial statements. Significant issues identified in preparing the 2013 March Return and/or hard close financial statements could then be addressed by the trust before August.

The 2013 March Return will need to be prepared on a consistent basis (accounting, recognition and valuation policies) to the statutory financial statements and the 2013
August Return. MATs preparing a 2013 March Return to include new academies opened after 31 August 2012, should use their previous statutory financial statements as a guide.

Newly incorporated trusts without previous statutory financial statements should look to the 2011-12 Accounts Direction for guidance on preparing statutory financial statements; which includes choosing accounting policies.

1.2 The Return structure

The Return is split into four segments (each a return), which have different purposes:

- **Financial Return** – Provides the EFA with sufficient information to consolidate academy trusts’ financial position and results into the EFA’s consolidated financial statements. This return is predominantly sourced directly from trusts’ audited financial statements (August Return) or similar accounting working papers (March Return).

- **Counterparty Return** – This return is similar to the Financial Return but is focused on identifying trusts’ balances (transactional and period end) with Government bodies other than the DfE Family. Balances identified in this return will be used in the preparation of the Whole of Government Accounts.

- **Local Government Pension Scheme (LGPS) Return** – Academy trusts will include in their statutory financial statements (31 August) pension scheme disclosures under the auspices of *Financial Reporting Standard 17: Retirement Benefits* (FRS17) for their involvement with the LGPS. This return provides sufficient information to support the production of consolidated disclosures across the academy sector.

The EFA **DOES NOT** require academy trusts to commission an FRS17 valuation of the trust’s LGPS deficit for inclusion in the March Return. When completing a March Return, trusts should leave this return blank and only report LGPS contributions payable in the reporting period in the Financial Return. The return has been left in the March Return to allow newly incorporated trusts to efficiently plan their August Return process.

- **Benchmarking Return** – This return will be used to enable benchmarking across academy trusts and maintained schools. Information from the return will be published by the Department at individual trust level to support local transparency and closer comparability between the income and expenditure data of local authority maintained schools and academy trusts.

Trusts submitting a March Return **ARE NOT** required to complete the Benchmarking Return. The Benchmarking Return is only applicable to existing trusts as at 31 August 2012. The return has been left in the March Return to allow newly incorporated trusts to efficiently plan their August Return process.

1.3 The Return length

Whilst the Return is extensive, nothing goes beyond what is required to prepare the EFA’s consolidated financial statements, WGA and the benchmarking exercise (August Return only).

It is not expected that academy trusts will have to complete all the cells on all four returns. For example the latter stages of the Financial Return may only apply to a handful of the larger trusts. However, for purposes of completeness and transparency, the EFA
requires positive confirmation from trusts, via the accounting officer’s declaration, that they do or do not have such balances.

Similarly, we do not expect every line of the Counterparty Return to be completed either. Once the required transaction totals and closing balances have been identified it is just a measure of finding the counterparty’s name in the dropdown boxes provided.

The Counterparty Return has been significantly re-formatted from the 2012 August Return to allow for easier completion and the wider trading scope of larger trusts. The August 2012 version of the return only allowed for seven counterparties per caption; which was insufficient for a number of trusts. Since we expect every trust to disclose a business rates prepayment, the old version was insufficient for trusts with over seven different locations.

Lastly, the Benchmarking Return whilst not directly transferrable from the trust’s financial statements should not prove overly complicated to complete. The Benchmarking Return closely resembles the maintained schools sector consistent financial return exercise which schools will have submitted annually to the Department prior to conversion.
1.4 Navigating around the Return

To help preparers navigate around the Return hyperlinks have been placed at the top of the Financial Return and Counterparty Return and within the body of the Financial Return. The hyperlinks can be identified from the small type and blue font colour. Simply place your cursor over the text and hit return to jump to the named section.

1.5 Data entry

Throughout the Return all monetary balances should be entered in £000s, not pounds and pence.

Throughout the Return only shaded cells require data entry. The cell shading is consistent across the four 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, whose contents are sourced directly from the trust’s statutory financial statements (August Return) or are prepared on a comparable basis to the trust’s future statutory financial statements (March Return).
- Cells that require: aggregation or dis-aggregation of a trust’s financial statement disclosures; and disclosures additional to a trust’s financial statement disclosures but still under SORP.
- Cells that support FReM-based disclosures that require a re-working of SORP disclosures.
- Cells that are available for trusts to make notes, calculations etc.
- Cells that indicate completion errors within the Return. The annotation of the error will provide guidance as to the nature of the error.

1.6 Logic validations

Dispersed throughout the Return are checks to ensure that different parts do not conflict with each other; for example the note totals with the primary statements (SoFA and balance sheet). Such checks can be identified by the light yellow cells in the Return as described above. Failures are shown by “Error – [wording]” appearing alongside or below the failed cell.

The wording of the error messages will provide preparers with guidance as to the cause of the problem. For instance if the total depreciation per the SoFA does not agree with the fixed assets note, cell D244 will show “Error – imbalance with FA note”. This
highlights the issue as being between the balance sheet and the SoFA depreciation charge value.

Error messages will be produced as the Return is completed. As a return is populated error messages will be generated since the lower portion of a return (to which the error checks compare) will not have been completed. The number of error messages should fall to zero as more of the return is completed. Therefore, it is only when the return is completed that an assessment can be made of the existence of issues or problems. Any remaining errors should then be investigated.

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.

As well as error checks across the Return individual cells also have value restrictions to prevent incorrect values being entered. If an incorrect value is entered a dialogue box will appear to inform the preparer of the restrictions. For instance no cells will accept decimals since the Return should be populated with £000s not pounds and pence. Additionally specific cells are restricted due to the nature of the cell. Cells for assets on the face of the balance sheet will not accept negative values since the nature of these cells requires them to be positive (assets).

1.7 Submission of a Return by federations and multi-academy trusts

Academy trusts should submit an August Return that matches the scope of their statutory financial statements; and a March Return that includes only schools opened since the date of their previous statutory financial statements. Therefore, trusts preparing consolidated financial statements would also submit a consolidated August Return which includes the same trust and its trading subsidiaries.

A MAT will only prepare or submit consolidated financial statements, and a consolidated August Return, if they own trading subsidiaries. Whilst the MAT may cover more than one academy school, there is only one reporting entity the charitable company. To stress, the schools are not the reporting entity as these requirements are focussed on companies, and arise primarily from the Companies Act 2006.

Of course if the MAT, or for that matter a SAT, has subsidiary companies (possibly to manage its property portfolio or letting its facilities out) then that company (MAT or SAT) should consider preparing consolidated financial statements based on their combined size. If the trust is required to prepare consolidated financial statements, including all its subsidiaries, the trust would then also prepare and submit a consolidated August Return; which would name all the academy schools included.

Federations, as distinct from MATs, would follow their corporate structure. MATs follow a consistent corporate structure; one legal entity (the charitable company) running multiple schools as trading names/operational units. In contrast federations can adopt several corporate structures, and it is the corporate structure that dictates the reporting style (standalone or consolidated financial statements and August Returns).

The term ‘federation’ has no relevance to how a trust prepares its financial statements; ‘federation’ is an operational term that is applied to groups of academy schools that are run along similar lines. The term federation implies there is no common ownership...
between the trusts (which ‘own’ the schools). Most federations are in fact MATs and will be preparing standalone financial statements. Some federations do have common ownership across multiple trusts and will consequently be preparing consolidated financial statements.

For the above reasons these guidance notes will not use the term federation but will focus on the corporate ownership structure and use trust, SAT and MAT terms.

1.8 Deadline for submission

The completed March Return must be submitted to the EFA by 28 June 2013. Submission of the Return and the accompanying auditor’s assurance statement will be through the IM portal.

1.9 Return sign-off

The completed file must be signed off by the trust’s accounting officer on the Excel spreadsheet. Since we require workable Excel files accounting officers should type their name and date into the cells at the foot of the ‘Standing Data’ tab to ‘sign’ the Return.

In contrast to the August Return it has not yet been decided if the 2013 March Return requires an assurance statement from the academy trust’s external auditors. EFA expects a large proportion of academy trusts included in the 2013 March Return exercise to require significant assistance from the auditors to complete the Return.

The level of involvement of external auditors in the preparation of the 2013 March Return might preclude an auditor producing an assurance statement. EFA will work with academy trusts and auditors to agree a position on the production of assurance statements and issue separate guidance on the use, or not, of assurance statements for the 2013 March Return.

We strongly recommend that trusts retain a physically signed copy of the Return along with the original signed auditor’s statement (if applicable) for their records.

1.10 Submission of the Return

Returns are submitted through the IM Portal with which trusts are familiar through receipt of their school’s funding documents. The EFA is amending the portal to allow for trust’s external auditors to log and submit the completed Returns and their assurance statements (if applicable).

Audit firms will have their own unique log-in and UPIN number which will allow for the EFA to monitor submissions by both audit firm and academy trust.

The portal will tag the uploaded Return with a standardised file name which will include the UPINs of both the audit firm and the trust’s school. MATs will need to ensure that they log on to the portal as the lead school identified by cell D7 on the Standing Data worksheet of the Return; which will align the UPIN of the uploaded file and that found in the Return.
Part 2 - Financial Return

2.1 Introduction

The Financial Return will be used by the EFA as the basis of the consolidation of trusts’ financial results and position into to the group financial statements of the EFA; and thence into the Department. Each trust will populate their Financial Return from their own audited statutory financial statements (August Return) or underlying financial ledger and/or hard close financial statements (March Return). If a trust does prepare hard close financial statements to support their March Return the colour coding below will provide guidance as to where the balance is sourced from.

The majority of entries in the Financial Return will be sourced directly from the financial statements without any amendment (green cells). Some entries will require some degree of aggregation or dis-aggregation of financial statement balances or new SORP-style disclosures (amber cells) and a fourth category requires completely new balances that do not map to existing SORP disclosures (red cells).

Sign convention

The Financial Return sign convention follows the normal financial statements sign convention; which is dependent upon the specific primary statement and/or note in which the balance is found. For example in the 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.

Cells in column F of the Financial Return have been annotated, once the cursor has been placed in the cell, with details of the sign convention to be followed in the data entry cells of that row.

Local guidance notes

Guidance notes local to the location in the Financial Return can be found by placing the cursor in the cell with [Notes] within it.

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

Conflict between the Return and financial statements

The Return, and specifically the Financial Return, are not designed to be exact facsimiles of a trust’s financial statements. The Return is designed to support the integration of trusts’ financial statements into the consolidated financial statements of the EFA. Therefore, the Return is formatted to mirror the EFA’s consolidated financial statements.

Additionally, the EFA is unable to allow trust’s to amend the Return’s layout by adding rows or columns to the Return. The EFA expects receive more than 2,500 Returns from the academy schools sector, which requires an automated IT aggregation tool. The IT tool will require consistent cell references to produce a single aggregated Return for all the trusts in the Return population (August or March).
If there are conflicts between the disclosures presented by individual trusts and those set out in the Return, trusts will have to reanalyse their disclosures to fit those required by the Return.

2.2 Specific guidance

Revenue grant income

As part of the consolidation process all trust 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; the EFA requires grant funding income to split by issuer body.

Capital grant income

Irrespective of where trusts account for their capital grant income in their financial statements the EFA requires all grant income (revenue and capital) to be included within the ‘Charitable activities – Academy’s educational operations’ section.

The inclusion of all grant income into a single section will greatly simplify the consolidation process. Any re-presentation compared to a trust’s financial statements will also need to be reflected in the SoFA section of the Financial Return.

Any re-presentation does not suggest that a trust’s financial statements are incorrect.

Staff costs

SORP does not require trusts to present separately direct staff costs dependent upon employment status (permanent and interim/temporary). Accounting standards applicable to the EFA require this. Therefore, trusts are required to re-analyse their total direct staff costs as disclosed under SORP between staff members on permanent contracts and those on temporary or interim contracts.

The split between permanent and interim/temporary staff is not based on hours worked but in length of contract. Accordingly, all supply and maternity cover teachers would automatically classify as interim staff since they are employed by the trust for a specific period of time; the period of illness and maternity leave.

Part-time staff such as teaching assistants and lunch-time staff could be permanent or temporary staff. A teaching assistant who had an open-ended contract of employment with a trust, but did not have guaranteed weekly hours, would still be classified as a permanent staff member. However, a teaching assistant brought into a trust to cover a known staff absence would be temporary since their contract has a set end date.

The Financial Return has logic checks to highlight where the analysis totals do not agree to SORP disclosure totals.

Staff numbers

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

We do not expect trusts to report a ‘nil’ entry for the management category. Where a headteacher fulfils a teaching role their management role supersedes their teaching role for the purposes of this disclosure and they should be disclosed accordingly.

**Tangible fixed assets**

Trusts should complete the tangible fixed asset section using the asset classifications from their financial statements. The only change is the breakout of software from IT equipment. The EFA will, following FReM, report software assets as intangible assets.

As well as the closing NBV, the EFA also has to disclose the split of the NBV between land and buildings. All trusts need to provide an analysis of their closing property values accordingly. We assume trusts have this split of land and building values since they will need the split to prevent the Trust depreciating land in their own financial statements.

If trusts have adopted an asset re-valuation model they will need to provide details of the historic values as well for disclosure.

**Depreciation and amortisation periods**

These rows do not refer to the period of the financial statements/Return. Trusts should enter the periods, as disclosed in their accounting policies note, of the useful economic lives used to calculate the depreciation and amortisation charges.

If a trust has a range of periods for any single asset class they will need to disclose the lower and upper ranges in the rows provided.

If a trust uses a reducing balance methodology for an asset class they will need to enter the rate used in the row provided.

**Provisions for liabilities and charges**

Disclosure requirements applicable to the EFA 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 trusts with multiple provisions, should not prove too arduous since it should be easily sourced from accounting records.

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

**Pension schemes**

Trusts are not required to commission an FRS17 valuation for their company’s 31 March local government pension scheme (LGPS). Accordingly trusts completing a March Return will only report pension contributions payable and will not include an FRS17 adjustment.

The majority of the pension disclosures are as required by SORP. The largest change is the EFA’s need to identify the different pension schemes and classify them depending upon the FRS17 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 trust’s financial statement FRS17 disclosures.
There is an additional analysis of the SoFA pension charge to allow the EFA to correctly aggregate the charges for the different scheme types. In addition defined benefit SoFA charges will need to be analysed out between contributions payable for the period and the FRS17 adjustment.

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

We expect that the majority of trusts will only have two pension schemes: Teachers’ Pension Scheme (TPS) and LGPS. These two schemes have been pre-loaded into the Financial Return but additional space is available for trusts to notify us of other schemes run by the trust.

Only trusts completing an August Return need to complete the worksheet called 'LGPS.Return' to provide an analysis of LGPS balances.

**Conversion to an academy**

The EFA will have to provide extensive disclosures covering the entry of new trusts, and new schools for existing trusts, into their consolidated financial statements. This section of the Financial Return is designed to capture all assets and liabilities transferred into the new academy schools from their local authorities or elsewhere. The level of disclosures presented in the Financial Return provides the EFA with sufficient information to support its disclosures.

The EFA does not require trusts to calculate a full balance sheet for converted schools including accruals and prepayments. Rather, the EFA is looking for an analysis of assets and liabilities transferred into the school on conversion. The majority of transferred assets and liabilities are the land and buildings housing the school and the LGPS deficit transferred over from the local authority.

Completion of this section is only required for the first Return produced after the school converts.

This section will also be used to support the production of consolidated cash flow statements. The movement of opening to closing balance sheet items used in cash flow statements will need to be adjusted to reflect the ‘new’ assets and liabilities received by the EFA through schools converting.

Please use the dropdown boxes to select the correct school name for all schools that converted and joined the Trust during the reporting period. The balances disclosed should be those immediately after conversion and not those as at the period end.

**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 the EFA the FReM mandated disclosures require the whole remaining cost of the lease to be apportioned across the timesteps.

Therefore, the 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 the EFA 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.

<table>
<thead>
<tr>
<th></th>
<th>Lease A</th>
<th>Lease B</th>
<th>Lease C</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>SORP</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Within one year</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Within two and five years</td>
<td>-</td>
<td>5</td>
<td>15</td>
<td>20</td>
</tr>
<tr>
<td>Over five years</td>
<td>10</td>
<td>-</td>
<td>-</td>
<td>10</td>
</tr>
</tbody>
</table>

|        | 10      | 5       | 15      | 30    |

| Required |         |         |         |       |
| Within one year | 10      | 5       | 15      | 30    |
| Within two and five years | 40      | 15      | 15      | 70    |
| Over five years | 50      | -       | -       | 50    |

|        | 100     | 20      | 30      | 150   |

**Finance lease disclosures**

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

**Other financial commitments**

Other financial 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.

Balances disclosed here are separate to those disclosed in the capital commitments section of Financial Return.

**Contingent liabilities and contingent assets**

Please provide a breakdown of all the trust’s contingent liabilities and assets as disclosed in the trust’s financial statements, 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 the EFA staff.

**Related parties**

Whilst trusts will include related party transaction disclosures in their own financial statements, such disclosures will not be appropriate for the EFA. The disclosures contained in a trust’s financial statements will be based on the parties related to that trust’s board of trustees, which will be different to those parties related to the board (executive and non-executive members) of the EFA. Since the boards are different the related parties will be different.

The EFA is required to disclose transactions between all organisations included within their consolidated financial statements and bodies related to their own board and senior management members. Whilst the EFA can identify all of their own transactions from their own ledgers, they are unable to identify any such transactions made by trusts.

Therefore, the EFA has included separate lists of all parties considered to be related to the EFA and the Department in the Financial Return. The EFA requires all trusts to review their financial ledgers for the period covered by the Return and identify all transactions by the trusts with the bodies named in Financial Return. Trusts should then complete the disclosures providing period totals per body and highlighting any closing balances with the body. Individual transaction information is not required, only the total per body for the period covered by the Return.

If the trust has no discloseable transactions trusts should use the dropdown box to explicitly state this.

**Exit packages**

The EFA discloses breakdowns of employee exit packages agreed during the period of the financial statements. Consequently to enable the consolidation of trusts into the EFA consolidated financial statements trusts need to provide similar disclosures.

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

**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, *Managing Public Money*. The scope of the disclosures require trusts to capture payments that fall into the categories provided for inclusion in the EFA’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 trusts to identify the type of special payments and losses.
Part 3 - LGPS Return

3.1 March Return

Trusts are not required to complete this return as part of the March Return. There is no requirement for trusts to commission an FRS17 LGPS valuation as at 31 March, the first valuation required will be for a trust’s statutory financial statements as at 31 August.

3.2 Introduction

The EFA will need to consolidate the separate FRS17 disclosures found in trusts’ financial statements relating to the Local Government Pension Scheme. The LGPS is a national pension scheme in which trusts’ non-teaching staff participate, teachers are members of the Teachers’ Pension Scheme.

Both schemes are multi-employer schemes as they cover the whole of England and include staff of all local authorities. However, the TPS is unfunded and so has no scheme assets and obligations to allocate to specific employers. Therefore, the TPS is accounting for, and disclosed, following the much simpler rules for defined contribution schemes. All that is disclosed about TPS are the contributions payable during the period.

Whilst the LGPS is a national scheme it is administered at local authority level, each local authority’s portion is managed and valued by its own investment managers and actuaries. The local administration of the LGPS allows for the allocation of scheme balances across different employers. Consequently, employers in the scheme must follow the full scope of the accounting and disclosures of FRS17; which are provided by their LGPS actuaries. MATs with activities across several LGPS areas will combine the separate local unit disclosures to produce a single set for inclusion in their financial statements.

Due to the MATs’ aggregation the balances provided in trusts’ pension scheme disclosures will not be suitable as a starting point for the EFA to produce consolidated balances. Consequently a new section of the Return has been added this year analysing FRS17 disclosures across all LGPS units.

3.3 Completion

Trusts are required to analyse out their FRS17 disclosures between all relevant LGPS units. SATs should find their own local LGPS unit and complete the disclosures under the relevant headings. MATs will need to complete the disclosures for all the local LGPS units that apply. The LGPS Return will then aggregate the different units’ disclosures to produce a total that is pulled through to the Financial Return pension.

As well as the LGPS values the Financial Return also requires trusts to populate their financial statement disclosures, even though they will match the LGPS totals if the trust has no other defined benefit schemes. The Financial Return has been drafted to allow for future developments in trusts’ behaviour, including future altered pension provision.

As well as financial disclosures the LGPS Return also includes a section for the valuation assumptions used by the actuaries, which require disclosure by the EFA. This section does not flow through to the Financial Return as it is non-financial.
If a trust has made adjustments to during the aggregation of the disclosures for their separate LGPS please use the ‘Other’ column in final column to bring the aggregations back to the disclosed balances.
Part 4 - Counterparty Return

4.1 Introduction

A consequence of the decision to consolidate trusts’ results into the Government’s published financial statements is the need to identify all transactions between, and closing balances with, trusts and Government bodies during the period. All balances between trusts and Government bodies need to be identified so that they can be removed during the consolidation process. The end result is the Whole of Government Accounts.

The method chosen to report trusts’ identified Government balances is the Counterparty Return contained within the Return; the worksheet titled ‘CoPty.Return’.

4.2 Changes from the 2012 August Accounts Return

Re-formatting of the return

The Counterparty Return has been re-formatted from that included in the 2012 August Return. The previous version of the Counterparty Return only had space available for seven counterparties per caption, and each entry per counterparty had to be found in the dropdown boxes separately. This proved insufficient to cover the activities of larger trusts and most MATs, and the completion proved very time consuming. Every trust should have at least one counterparty, business rates prepayment with their local authority, and if a MAT had eight or more schools distributed across eight authorities then the MAT would be unable to disclose all eight authorities.

Therefore, we have changed the layout of the return so that all balances with a single counterparty are shown on a single row. This means that preparers of the return will only use the drop-down boxes once per counterparty. This layout also focuses preparers’ attention that any income or expense counterparty could often also have a closing debtor or creditor balance as well.

Removal of caption headers

The purpose of the Counterparty Return has been simplified for the 2013 March Return exercise onwards; the return is solely to identify period end transactions and balances with other government bodies. The identification of balances transferred from local authorities on conversion of maintained schools is now provided by the section in the Financial Return.

Now only captions that may contain financial asset and/or liability transactions are included; all asset purchase captions (fixed assets, cash and stock) have been removed since those types of captions will not contain counterparties. Once physical assets have been purchased and recognised in a trust’s balance sheet there is no counterparty, the assets are owned by the trust. The associated creditor, for amounts unpaid, will be found in the relevant creditor caption.

In the same way the funds caption has been removed since again there are no counterparties here, the funds once transferred in from a local authority or earned over the course of a period belong to the trust and are not due to a third party.
4.3 Specific completion guidance

Transactions between the trust and other public bodies for the period

Identify transactions between the trust and other public bodies included within the financial statements for the period.

For each category of transaction and closing balance give a breakdown by selecting the public body from the dropdown box in column C. Trusts are only required to provide totals by counterparty, not individual transactions.

Excluded transactions

Some transactions and caption balances are excluded from the Counterparty Return.

Some captions are not carried across from the Financial Return such as ‘Amounts owed to/from group undertakings’. This is because these will be companies associated with the trusts that have not been included within their Return. Consequently, these companies are not public bodies and are not required to be included within the Counterparty Return.

Whilst most trusts are standalone companies others are part of corporate groups. In certain circumstances those groups may prepare financial statements which do not include all members of the group. Consequently, those financial statements will include amounts due to or from the reporting entity and other members of the corporate group. However, since those counterparties have not been included within the Return their balances fall outside the scope of the Counterparty Return.

Other excluded counterparties are universities and higher education organisations. Such organisations have been classified by the Office for National Statistics as non-public sector and are therefore outside the scope of the WGA exercise.

List of applicable counterparties

Counterparties are identified by name in column C of the return, and are selected from the dropdown boxes. There are a very large number of possible counterparties once all trust schools are included.

The list per the dropdown boxes is sourced from the ‘CP IDs’ worksheet, which is visible to help preparers find discloseable counterparties. The list covers the UK including Welsh, Scottish and Northern Irish bodies. The list can be filtered by using the filter tool already enabled to help identify parties.

The list has been split into two with the following more relevant bodies sorted alphabetically:

- Academy trusts;
- DfE Family members;
- central Government bodies;
- English local authorities; and
- LGPS units.
The rest of the full CP ID list is sorted alphabetically within the following types:

- public Government trading companies (such as the Post office);
- NHS bodies;
- Welsh local government bodies;
- Northern Irish local Government bodies; and
- Scottish local Government bodies.

We suggest preparers use the CP ID list to familiarise themselves with the position of the required counterparty in the full list so that they can find the counterparty in the return’s dropdown boxes.

**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 number of disclosure items per caption are the same; such as value, CPID code and counterparty name.

**Statement of financial activity**

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

Wages and salaries are those salaries paid to employees of other discloseable Government bodies on behalf of those bodies. Within central Government there are a large number of across-department staff secondments. In such a situation the secondee department may reimburse the seconding department they employee’s salary; which would be disclosed here.

The Return will check to make sure the number of disclosure items per caption are the same; such as value, CPID code and counterparty name.
Part 5 - Benchmarking Return

Trusts preparing and submitting a March Return ARE NOT REQUIRED to complete this return, it is only required as part of the August Return. The return has been included within the March Return Excel file, and these guidance notes, as preparation for newly incorporated trusts for their August Return.

5.1 General notes on completion

The accounting and disclosure framework underpinning the Benchmarking Return is not fully aligned with that underpinning a trust’s statutory financial statements. In some areas of the return the disclosure aggregations do not match those found in trusts’ financial statements and therefore Financial Returns.

The analysis of staff costs described below is an illustration of such a divergence. The Financial Return analyses direct staff costs into three cost types (salaries, NIC and pension contributions) split across three broad staff types (teachers, support and management). The Benchmarking Return requires a much more focused staff-type analysis for all costs. This represents additional work for trusts to populate this return.

In addition to inconsistencies in the disclosure aggregations the Benchmarking Return is also heavily focused on the classification of grant income received by trusts. Government spending is split into two broad groups: capital spending and revenue spending. Government departments have different reporting and control processes for the different funding streams, and so view the two funding types independently.

Unfortunately, for the purposes of trusts’ statutory financial statements the analysis between capital and revenue (and even the use of the two words) differs from that used by Government and the Benchmarking Return. Whilst there is a large overlap between the two differing approaches there are known differences.

The DfE Family provides grants to trusts to support the maintenance of trusts’ buildings and so classifies such grants as capital maintenance. However, trusts as companies are restricted to classify all such income and expenditure as revenue; only amounts capitalised in a company’s balance sheet are classified as capital.

This divergent terminology, and treatment, may also generate differences between the Financial Return and Benchmarking Return. Consequently we do not expect there to be agreement between a trust’s retained surplus/deficit per the two returns.

5.2 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 trusts for teaching and learning materials.

- **EFA start-up grant part B** – if receivable, include the formulaic grant awarded towards staff costs at traditional academy schools 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 trust.

- **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 Department and the EFA. This should include any funding for pupil-focused extended trust activities.

- **Other Government grants** – include all revenue grants receivable from other Government sources (ie not the Department 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 Family 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 trust activities.

Do not include any Government grants or payments in return for the trust providing a service (these should be recorded under the self-generated income categories below). Only include payments receivable from other schools or trusts if these are not in return for a service provided. Payments that are not in return for a service could include payments from another trust to meet supply cover costs that will enable your trust to participate in development activities organised by the other trust.

**Self-generated income**

Include all revenue 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 trusts;
- income for consultancy, training courses and examination fees;
- any interest payments receivable from bank accounts held in the trust’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 trusts 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 trust for events within the period of the financial statements, eg field trips, boarding fees, payments to the trust for damage done by pupils, etc. Do not include donations not expressly requested by the trust.

- **Income from catering** – include all income receivable from catering, milk provision and catering vending machines where the trust 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 trust during the period. This should include all income from private sources under the control of the trust and available for its purposes including: income provided from trust funds to support educational needs at the trust; 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. The Return is prepared on an accruals basis so the timing of payments is irrelevant. Do not include any capital donations or donations into an endowment fund.
Community focused trust income

Include all grants, funding and income receivable associated with running community focused facilities or activities. If the trust 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 (i.e., 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 trust, but are leased out to third parties not directly employed or contracted by the trust, should be recorded under the relevant categories above.

5.3 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 the EFA and other capital grants paid directly to the trust by the Department 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 trust 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.

5.4 Assets 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 trust. 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.

5.5 Revenue expenditure

**Staff costs**

Include the full costs of employment for staff employed directly by the trust 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 trust (e.g., contractors or agency staff).

Pension costs included within the benchmarking disclosures should not include any FRS17 adjustments, they should be just contributions payable. FRS17 adjustments are calculated for the trust as a whole and are not provided broken down into the non-statutory classification used in the Benchmarking Return.
Costs should be broken down into the following sub-headings:

- **Teaching** – include all teachers employed directly by the trust 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 trust who are covering curriculum release, long-term absence, sickness absence or training absence.

- **Education support** – include all staff directly employed by the trust 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 trust 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 trust’s special facilities.

- **Premises** – include all staff directly employed by the trust 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 trust’s special facilities.

- **Catering** – include all catering staff directly employed by the trust 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 trust’s special facilities.

- **Other staff** – include all other staff directly employed by the trust and not covered above such as: mid-day supervisors, meal time assistants, boarding staff of a residential trust, 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 trust, staff supervising students during before and after school 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 trust, 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 trust’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
  - non-capitalised 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 trust 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 trust to another school or trust for the benefit of pupils at the other school or trust;
• 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 trust to a charity); and
• community education with a benefit to the pupils at the trust.

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 Return (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 trust’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 (e.g. illness, absence for training, and any leave).

**Community focused trust costs**

Include all costs associated with running community focused facilities or activities including the cost of all staff employed directly by the trust for community focused activities. If the trust 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 trust 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 (e.g. 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 trust) 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 trust 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.

**Interest**

Include interest payable on overdrafts and other liabilities.
5.6 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 trust’s balance sheet notes.