

Registered company number: 07768726 (England and Wales)

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BOURNE EDUCATION TRUST

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

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COMPANIES HOUSE

BOURNE EDUCATION TRUST

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

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BOURNE EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

The trustees present their report and the financial statements of Bourne Education Trust (referred to as the "Academy Trust") for the year ended 31 August 2015.

With effect from 1 September 2013, the Academy Trust became a multi academy trust comprising from 1 September 2013, both Epsom & Ewell High School and Jubilee High School. Pyrcroft Grange Primary School joined the Academy Trust on 1 December 2013, Sythwood Primary School and Children's Centre joined the Academy Trust on 1 January 2014 and Sayes Court Primary School joined the Academy Trust on 1 June 2014. During the financial year 2014-15 The Matthew Arnold School joined the trust on the 1st December 2014.

The Academy Trust is led by the board of trustees, who are also the directors and the members of the charitable company and who have held office since 1 September 2014 as follows:

Sara Lipscombe	Chair
Alex Russell	Executive Headteacher and Accounting Officer
Chris Munro	Sponsor representative
Tony Oakden	Secondary representative (appointed 18 July 2014)
Penny Rendall	Primary representative (resigned 30 November 2015)
Alan Richardson	Independent Director (appointed 18 December 2013)
Sue Tresilian	Strategic Primary Partner
James Kibble	Strategic Secondary Partner (resigned 10 July 2015)
John Winter	Independent Director (appointed 10 July 2015)

The principal address of the charity and the registered office of the company are the premises of the sponsoring academy, Epsom & Ewell High School, at Ruxley Lane, Epsom, Surrey KT19 9JW.

The Academy Trust is an exempt charity that is not therefore required to register with the Charity Commission, however the Academy Trust has registered with HM Revenue and Customs as a charitable entity under the reference number XT35927. The company is incorporated in England and Wales with the company registration number 07768726.

The trustees have made the following professional appointments:

Accountant and External Auditor:	UHY Hacker Young LLP Quadrant House, 4 Thomas More Square London E1W 1YW
Banker:	Lloyds Bank plc 402-404 Ewell Road, Tolworth, Surbiton KT6 7HF

BOURNE EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

During 2014/2015, in addition to the Executive Headteacher, the following other key senior members of staff were responsible for the day-to-day management of the Academy Trust:

Kate Sanders	Director of Finance & Operations and Company Secretary
Steve Price	Headteacher, Jubilee High School
Zelia Munnik	Headteacher, Pycroft Grange Primary School
Sue Tresilian	Headteacher, Sythwood Primary School
Paul Grimwood	Headteacher, Sayes Court Primary School (resigned 31 August 2015)
Mary Gould	Head of School, The Matthew Arnold School
Jo Green	Headteacher of Brookwood Primary School (from 1 September 2015)
Guy Blair	Deputy Headteacher, Epsom & Ewell High School (Director of Learning from 1/9/2015)
Katy Backinsell	Trust Accountant

BOURNE EDUCATION TRUST

TRUSTEES' REPORT

Status & History

Bourne Education Trust is an exempt charity and a company limited by guarantee, not having share capital.

The principal activity of the Academy Trust is to run a multi-academy structure comprising primary and secondary schools for boys and girls located in Surrey.

The original Academy Trust was incorporated on 9 September 2011 and was governed by the rules and regulations set down in its company Memorandum and Articles of Association dated 9 September 2011. With the move to multi-academy trust status, the Academy Trust's governing document was updated by the adoption of new Articles of Association dated 2 August 2013.

Members' Liability

Every member undertakes to contribute an amount not exceeding £10 to the assets of the company in the event of the company being wound up during the period of membership, or within one year thereafter.

Organisational Structure

The management structure of the Bourne Education Trust consists of five levels: the Academy Trust board, the local Governing Bodies, the Executive Group (of Headteachers in the Trust and the Director of Finance & Learning) the senior leadership teams and the middle leadership teams. The aim of the management structure is to devolve responsibility, improve accountability and encourage involvement in decision-making at all levels.

The trustees of the Academy Trust board fulfil a strategic role. They monitor the performance of individual schools in the Academy Trust against key performance indicators and appropriate schemes of delegation. In making decisions about the strategic direction of the Academy Trust, the board takes into account the views of the governors of Epsom & Ewell High School, as the sponsoring academy. Intervention in individual schools within the Academy Trust is driven by performance against the key performance indicators and on the advice of the Executive Headteacher. In accordance with the requirements of the Academies' Financial Handbook 2015, only those directors that are not school or trust employees are members of the trust.

The governors on the local Governing Bodies fulfil a largely strategic role in relation to their local schools. They adopt the individual school's strategic and annual development plans and sanction the annual budget. They monitor the school's performance and, on advice, make decisions about the direction of the school, its capital expenditure and senior staff appointments.

The trustees of the Academy Trust are supported by the Executive Headteacher, the Trust Improvement Partner, the Director of Finance & Operations (and from 1 September 2015, the Director of Learning) and the Clerk to the Board.

The Executive group represents the operational leadership of the schools; contributing to and informing the strategic decisions of the trust and working together to implement those decisions. They ensure that best value is achieved in the resources of the trust identifying opportunities for collaborative working and supporting the developmental needs of the schools within the trust.

BOURNE EDUCATION TRUST

TRUSTEES' REPORT

Organisational Structure (continued)

The schools are supported by senior leadership teams which run the schools at both an executive and operational level. These teams implement the policies and annual development plan laid down by the governors and report back to the governors termly on the progress made towards fulfilling them. At an operational level the senior leadership team provides strong leadership and management for the school community, in particular organising and developing the teaching staff, learning environment and students' learning.

As a group, the senior leadership teams are responsible for the authorisation of spending within agreed budgets and the appointment of staff, other than specific senior staff appointments for which the Academy Trust or local Governing Bodies and the headteachers are responsible. Some spending control is devolved to members of senior leadership team and appointed budget holders.

The middle leadership teams consist of all curriculum and pastoral leaders. They are responsible for the day-to-day implementation of the school development plan, the delivery of the curriculum, exam preparation and performance and ensuring the well-being of students. They, along with teachers and tutors, are also the first point of contact for parents and carers.

Method of Recruitment, Appointment, Election, Induction & Training of Directors and Senior Management

During the year 2014-2015, the board of the Academy Trust comprised the Executive Headteacher, the Chair, a representative from the Sponsor Academy, a representative from one of the secondary schools in the Academy Trust, a representative from one of the primary schools in the Academy Trust, a representative from the Strategic Primary Partner school, a representative from the Strategic Secondary Partner School and an independent director. In July 2015, the Strategic Secondary Partner resigned and was replaced by a second independent director. In addition to representing the schools in the Academy Trust, the board aims to ensure that there is the correct level and mix of skills amongst the directors.

The local Governing Body of each school comprises the headteacher and governors including parent governors, staff governors and other appointed governors. Parent governors are normally elected by parents of students registered at the school and the local Governing Body makes arrangements to notify parents of a vacancy and oversees a secret ballot where the number of nominees exceeds the number of vacancies. Staff governors are similarly elected by staff. Other governors are appointed after discussions with local community groups and businesses dependent on the person specification required. Volunteers first visit the school and, where appropriate, a recommendation would be made for a candidate to be presented to the full Governing Body with a view to appointment. All new governors are given an induction pack and, if not familiar with the school, are invited to a tour and to meet key governors and staff. Training is provided by an outside consultancy specialising in governor training. There is a named governor to provide details of relevant courses, encourage attendance and monitor governor-wide training undertaken.

BOURNE EDUCATION TRUST

TRUSTEES' REPORT

Auditor

The trust retendered for audit services during 2015 and appointed UHY Hacker Young LLP, Quadrant House, 4 Thomas Moore Square, London E1W 1YW as its auditors for a minimum period of three years.

Statement as to Disclosure of Information to the Auditor

The directors at the date of approval of this directors' annual report confirm that so far as each of them is aware, there is no relevant audit information of which the Academy Trust's auditor is unaware, and the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Professional Indemnity Insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect directors, governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance arranged through Zurich Insurance provides cover of up to £2,000,000 on any one claim and the cost for the year ended 31 August 2015 was included within the premium for the commercial combined policy and is not separately identifiable.

OBJECTIVES AND ACTIVITIES

Charitable Objectives

The charitable objectives for which the Academy Trust is established are set down in the governing document as follows:

- To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools ("the mainstream Academies") offering a broad and balanced curriculum or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them ("the alternative provision Academies") or 16 to 19 Academies offering a curriculum appropriate to the needs of its students ("the 16 to 19 Academies") or schools specially organised to make special educational provision for pupils with Special Educational Needs ("the Special Academies"); and
- To promote for the benefit of the inhabitants of the areas served by the Academies the provision of facilities, for recreation or other leisure-time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances, or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

BOURNE EDUCATION TRUST

TRUSTEES' REPORT

Principal Activities

The principal activity of Bourne Education Trust is in accordance with its objectives advancing education in the United Kingdom by establishing, maintaining, carrying on, managing and developing schools offering broad and balanced curricula. In addition, the Academy Trust promotes recreational facilities to improve the condition of life for local residents.

The details of the objectives, strategies and activities of each school within the multi-academy trust are outlined in their individual school development plans.

Public Benefit

The trustees confirm that they have referred to the guidance provided by the Charity Commission in respect of public benefit when reviewing the Academy Trust's aims and objectives (as set out above) and in planning future activities and setting appropriate policies for future years.

Connected Organisations, Including Related Party Relationships

Epsom & Ewell High School continues to host the Epsom & Ewell Confederation with a bespoke training room to provide training for the local primary and secondary schools and to work with the Epsom, Ewell and Banstead 11-19 Network. Jubilee High School continues to host the Runnymede South Confederation and provides a small administrative office and access to the schools meeting rooms to support training for the local primary schools within the group. The Trust is part of a group of schools supporting the Schools Direct programme with St John the Baptist, Woking as the lead school and St Mary's University College, Twickenham as the ITT provider. The Trust has a school to school support arrangement with Salesian School, Chertsey who as a National Teaching School will also provide training support for groups of teaching staff across the Trust.

One school in the trust has traded with a connected party; the value of that trading being limited to an annual total of £5,000. The trust financial policies and procedures have been followed in respect of that trading but this will not continue in 2015-16, reflecting the trust's overall policy that such trading should be avoided if at all possible.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Growth of the Academy Trust

The Bourne Education Trust grew during 2013/2014 to include Jubilee High School, a sponsored secondary school Pyrcroft Grange Primary and Sayes Court Primary, sponsored primary schools and Sythwood Primary School, a strategic partner within the trust. In addition, we have a school to school support agreement with Salesian School, Chertsey, an outstanding teaching school outside the Trust. The Trust is now responsible for the education of approximately 3,250 children and 450 employees.

The trust worked with Brookwood Primary School, which joined the trust on 1 December 2015, and was successful in a bid to open a free school in Chertsey for pupils aged 11-16 starting with Year 7 pupils in September 2017.

BOURNE EDUCATION TRUST

TRUSTEES' REPORT

Growth of the Academy Trust (continued)

The Bourne Education Trust ensures that high quality teaching and support staff are employed and we work continually to improve teaching and learning. We review staffing requirements a minimum of a year ahead allowing for early recruitment and efficient budgeting. The staff meets every week for training either as a whole staff or in teams. There is a carousel of activities based on key themes so that the training provided is appropriate for each member of staff and reflects the priorities contained in the school development plan. Training is delivered by the leadership team and/or identified lead practitioners within the Trust without the need for outside the consultants.

Collaboration extends beyond the Trust. We regularly meet with secondary and primary networks/confederations which allows us to share best practice and training and ensure the best use of funding. We have extended the facilities of an office and training room to the Epsom and Ewell Confederation on the Epsom and Ewell High School site which has allowed the local schools to tailor sessions to the needs of the local schools and community.

To ensure that standards are continually raised the school operates a programme of self-evaluation which includes review of performance data, learning walks, observation of lessons and termly externally led assessment of our work. Student performance is reported every half-term and the data analysed to ensure that all groups of students and departments are on track.

Epsom and Ewell High School

The school was inspected by Ofsted in March 2012 and was deemed to be 'good'. The inspection team also identified a number of outstanding elements relating to leadership and pupil behaviour. In April 2014 the local authority's school improvement advisor graded the school outstanding across all elements and the National College for Teaching and Leadership named it as one of its National Support Schools.

The school is in its fourth period of operation as an academy and achieved the forecast numbers of students. Total students in the period ended 31 August 2015 numbered 800. The School has surplus places in all year groups but is beginning to grow rapidly. The school can admit up to 210 students into each year group.

The school achieved very good sixth form results with record points per entry and per candidate in a more challenging educational landscape that saw a drop in top grades. 79% of students achieved A*-C grades and just over 80% of the sixth form, all that wanted to, attended university. All of the remainder are in either further training or employment.

The headline results at GCSE results fell this summer to 55% against a national volatility in English and mathematics grades. However, the progress made by our students was outstanding with the school achieving a progress 8 score of +0.47 and value added of 1031, placing in the top 10% of schools nationally.

Jubilee High School

Jubilee High School joined the Trust on the 1 September 2013. The focus at the school has been on improving the quality of leadership, teaching and learning and the rate of progress being made by students, especially in English and mathematics. The work of the leadership, and especially the headteacher, was recognised by Ofsted in July 2015 when it graded the school as 'good' in all aspects. This status was supported by a solid performance in this summer's GCSE examinations with all its FFT D targets met.

BOURNE EDUCATION TRUST

TRUSTEES' REPORT

Pyncroft Grange Primary School

Pyncroft Grange Primary School joined the Trust on the 1 December 2013 and has been completely transformed by the school's new headteacher who was appointed from within the Trust in October 2013. The school now has an established staff and is at now least good in all areas. Its performance in this summer's standard assessment tests was outstanding with all pupils achieving level 4 and above. It is now performing well above the national average in all key stage 2 measures.

Sythwood Primary School

Sythwood Primary School joined the Trust on the 1 January 2014 as its primary strategic partner. It has provided significant school-to-school support to the Trust's primary sponsored academies. This is focused on improving the quality of leadership and teaching and learning. The school has used experts from within its own staff to supply training, interventions and mentoring. It is now focused on ensuring that its own examination performance is replicated in all our primary academies.

Sayes Court Primary School

Sayes Court Primary School joined the Trust on the 1 June 2014. The focus of the Trust has been on improving the quality of leadership and teaching and learning. There has been a significant staff turnover during the year and the headteacher left the school at the end of the academic year. Progress towards coming out of special measures is slower than originally anticipated and the school has now appointed a new headteacher, supported by an executive headteacher, to remedy this. Current standards of achievement remain well below the national average but robust plans are now in place to improve on this.

The Matthew Arnold School

The Matthew Arnold School joined the Trust on the 1 December 2014. The academy failed its Ofsted inspection in July 2014 and was put into special measures. The focus of the Trust has been on stabilising the school, improving the quality of leadership and teaching and learning and ensuring that its safeguarding practices are robust. A completely new leadership team has been appointed and there has been a significant turnover of staff during the year. Progress towards coming out of special measures is on track and we believe that the school will come out of category during the next academic year. Standards of achievement are consistent with prior years and well placed to improve in subsequent ones.

FINANCIAL REVIEW

Financial Review and Key Financial Performance Indicators

Most of the Academy Trust's income is obtained from the Department for Education (DfE) in the form of recurring grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2015 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the year ended 31 August 2015, the total expenditure of £21,269,388 (2013/2014: £12,888,730) was less than the total of incoming resources of £33,662,107 (2013/2014: £37,721,607) including the significant fixed assets acquired as referred to below allowing the Academy Trust to carry forward significant fund balances for utilisation in future years.

At 31 August 2015, due to the growth of the multi-academy structure the net book value of tangible fixed assets had grown to £52,564,285 (31 August 2014: £39,681,987) and movements in tangible fixed assets are shown in

BOURNE EDUCATION TRUST

TRUSTEES' REPORT

Financial Review and Key Financial Performance Indicators

more detail in the notes to the financial statements. These assets were exclusively those used for providing education and the associated support services to the students of the schools within the Academy Trust.

From the actuarial valuations for the year ended 31 August 2014, the FRS 17 pension deficit on the Academy Trust's proportion of the Surrey Local Government Pension Scheme had also significantly increased and at 31 August 2015 stood at £5,885,000 (31 August 2014: £3,793,000).

The Trust applied for capital bids to the Condition Improvement Fund and was successful in six of nine bids receiving a total of £841,000 in funding.

The Trust has continued to receive income from providing school to school support which has resulted four of the supported schools joining the Trust in 2013-2014 and a fifth joining shortly.

Reserves Policy

The trustees have agreed a Reserves Policy for the Academy Trust which will be reviewed annually. The review encompasses the nature of income and expenditure streams and the need to match income with commitments.

The directors have determined that the appropriate level of free reserves needs to be reviewed in light of the new schools joining the trust. It is however confident that all schools have sufficient working reserves to cover delays between spending and receipt of grants and to provide a cushion to cover the financial risks facing the Trust such as reductions in minimum funding guarantees, reductions in Education Services Grants, the removal of sixth form transitional protections and the anticipated reduction in 6th form numbers and funding.

As at 31 August 2015, free reserves amounted to £4,510,422 (31 August 2014: £2,970,000) but it is anticipated that much of this free reserve balance will be utilised over the course of the next 3 academic years as the Academy Trust expands the scope of its operations.

Investment Policy

Bourne Education Trust does not have any material investments. The directors have determined that this will be an area of development in the year to come in view of the growth of the Trust. The Academy Trust's bank accounts are held with Lloyds, and it operates Educational Current and Deposit accounts and School Fund Current and Deposit accounts. Schools joining the Trust have also held accounts with Barclays and HSBC during this transition period.

Interest earned on bank accounts during the year amounted to £5,338 (31 August 2014: £3,749).

PRINCIPAL RISKS AND UNCERTAINTIES

The major risks to which the Academy Trust is exposed are loss of key staff, shortfalls in funding which have not been anticipated, changes in funding formulas and a reduction in the school roll.

BOURNE EDUCATION TRUST

TRUSTEES' REPORT

Going Concern

After making appropriate enquiries, the directors have a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

Financial and Risk Management Objectives and Policies

The principal Risk Management objective of the Academy Trust is to minimise all identified risks as outlined in the risk register by frequent review and remedial actions where required.

Risk & Corporate Governance Matters

The directors have assessed the major risks to which the Academy Trust is exposed, in particular those relating to financial management and the capacity of the sponsor to ensure the required improvements in the schools within the Academy Trust whilst maintaining the standards of the sponsor academy and those already in the Academy Trust. Review of the Risk Register falls within the terms of reference of the Audit Committee.

PLANS FOR FUTURE PERIODS

Bourne Education Trust will continue striving to improve the levels of performance of the students attending any of its member schools at all levels and as reflected in its mission statement and individual school development plans.

Bourne Education Trust will continue to look at the accommodation available to its member schools and to plan for the redevelopment of areas of those school sites where buildings have reached the end of their useful life.

Bourne Education Trust aims to provide the opportunity for increased student success beyond the boundaries of member schools by aiming to establish ways to benefit the wider community and provide direct access to school facilities, curricular materials and the expertise of staff. This is evidenced by our professional partnerships with other schools.

Continued Growth of the Academy Trust

We have been working since March 2015 with Brookwood Primary School who requested to join the trust. Due diligence was carried out by both parties and the school joined the trust on 1st December 2015. The trust was successful in a bid to open a Free School in Chertsey, Surrey which is intended to open in September 2017 for pupils aged 11-16. The Trust will be supported in this by Salesian School, Chertsey with whom it has a school to school support agreement.

Other Specific Future Plans

Subject to certain conditions, the trust has received approval from the DfE to dispose of a parcel of land.

BOURNE EDUCATION TRUST

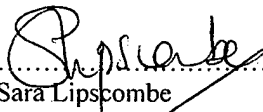
TRUSTEES' REPORT

FUNDS HELD AS CUSTODIAN

In addition to maintaining restricted funds to deal with incoming resources that are earmarked for a particular purpose by donors, sponsors, and other funders, Bourne Education Trust holds 16-19 Bursary Fund monies as custodian for the Department for Education and the Education Funding Agency awarding bursaries for those in need meeting the criteria specified in the terms of this government scheme.

At the present time, the Academy Trust does not hold and the directors do not anticipate that it will in the future hold, any other funds as custodian for any other third party.

This report was approved by the Bourne Education Trust board of trustees, and in their capacity as directors of the charitable company the strategic report included therein, at their meeting on 11th December 2015, and was signed for and on behalf of the board by


..... Chair
Sara Lipscombe
11 December 2015

BOURNE EDUCATION TRUST

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2015

Scope of Responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Executive Headteacher as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Bourne Education Trust and the Secretary of State for Education. He is also responsible for reporting any material weaknesses or breakdowns in internal control.

Governance

The trustees have met formally six times during the financial year. Attendance at meetings was as follows:

Trustee	Meetings attended	Out of possible
Sara Lipscombe	3	3
Alex Russell	3	3
Chris Munro	2	3
Tony Oakden	3	3
Penny Rendall	2	3
Alan Richardson	3	3
Sue Tresilian	3	3
James Kibble	1	3
John Winter	0	0
Kate Sanders (as Company Secretary)	3	3
Roger Evans (as Clerk to the Board)	3	3

The Audit Committee was a sub-committee of the board of trustees, and its purposes and terms of reference covered those of a typical audit committee. The Audit Committee met three times during the financial year. Attendance at meetings was as follows:

Committee Member	Meetings attended	Out of possible
Alan Richardson	3	3
Christine Archer	3	3
David Griffiths	3	3
Kate Sanders (in attendance)	3	3
Roger Evans (Clerk to the Committee)	3	3

BOURNE EDUCATION TRUST

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2015

Review of Value for Money

As accounting officer the executive headteacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. As accounting officer he understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received. The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Collaborating across the trust according to need.
- Appointing a Director of Learning, Director of Finance & Operations and Trust Accountant to work at trust level, according to a service level agreement, to support the Executive Headteacher and board in ensuring the performance of schools.
- The board focussing on its strategic role.
- Establishing an audit committee to follow an internal audit plan focussing on key risks
- Following best practice in terms of procurement.

Improving educational results

The Bourne Education Trust has grown in since conversion to a multi academy trust in September 2013 to include two additional secondary schools and three primary schools. Both secondaries and two of the primary schools are sponsored academies and one of the primary schools is our strategic partner within the Trust. A further primary school, Brookwood Primary School has joined as a sponsored academy in the autumn of 2015 and the trust was successful in a bid to open a free school in Chertsey in September 2017. The trust is now responsible for the education of over 3000 pupils:

The Bourne Education Trust ensures that high quality teaching and support staff are employed and we work continually to improve teaching and learning. We review staffing requirements a minimum of a year ahead allowing for early recruitment and efficient budgeting. The staff meet every week for training either as a whole or in teams. There is a carousel of activities based on key themes so that the training provided is appropriate for each member of staff and reflects the priorities contained in the school development plan. Much of the training is delivered by the leadership team and/or identified lead practitioners within the Trust which ensures targeted training and value for money.

Collaboration extends beyond the Trust. We regularly meet with secondary and primary networks/confederations which allow us to share best practice and training and ensure the best use of funding. One of the schools in the Trust, Epsom & Ewell High School has extended the facilities of an office and training room on site to the Epsom and Ewell Confederation on the Epsom and Ewell High School site which has allowed the local schools to tailor sessions to the needs of the local schools and community.

To ensure that standards are continually raised schools operate programmes of self-evaluation which includes review of performance data, learning walks, observation of lessons and termly assessment of our work. Student performance is reported at least every term and the data analysed to ensure that all groups of students and departments are on track. The performance of the schools in the trust is described in the Achievements and Performance section.

BOURNE EDUCATION TRUST

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2015

Improving educational results (continued)

The needs and progress of all schools in the Trust are kept under regular review by the Board through agreed key performance indicators. Each school's performance is measured against these terms and they assess all main aspects of each school. They cover:

- Overall standards
- The quality of teaching
- The quality of learning
- Finance
- Staffing
- Ethos
- Health and safety

The trust has appointed a Director of Learning, Director of Finance & Operations and Trust Accountant to work at trust level, according to a service level agreement, to support the Executive Headteacher and board in ensuring the performance of schools. The trust also developed an Executive Team led by the Director of Learning during 2014-15 so that schools could share best practice and collaborate on supporting the trust schools. Any issues requiring additional input or information are fed back to the school's governing body through the Executive Team.

Financial governance and oversight

The Board of the Bourne Education Trust has overall responsibility and ultimate decision making responsibility however there are written schemes of delegation tailored to a school's state of development, and financial policies and procedures to ensure that decisions can be made efficiently.

The governance arrangements for each school within the Trust include regular monitoring by LGBs and committees who receive detailed reports from the school's leadership. Governors are welcomed within the schools and play a very active role allowing them to make accurate judgements on information received. Budget holders and/or the senior leadership team review expenditure regularly and work with each school's Business Manager to set future budgets based on a detailed review of past costs, changes in curriculum requirements and strategies in the school improvement plan. Reserves in the Trust depend upon a review of both current and future needs mindful of the need to ensure the Trust remains a 'going concern'. The Trust is working to ensure that all the LGBs have appropriately skilled governors so that there is the appropriate level of challenge. As a result, one school within the trust has been governed by an Interim Academy Board and one school's Chair has been replaced with an Advanced Skills Governor. During 2014-15, as part of the internal audit process, the Audit Committee of the trust board carried out a governance review to identify next steps.

The Audit Committee has responsibility for making recommendations on financial reporting, internal control, risk management and external audit to assist the Trust in fulfilling its oversight responsibilities and refers major issues for ratification. During 2014-15 internal audit investigations have been carried out termly by an internal audit team chosen to ensure consistency and as great a degree of independence as possible. The Trust is confident that the resources have been managed with regularity and propriety and this has been confirmed by unqualified audit reports for each year of academy status.

The Board monitors performance across the schools in the Trust against key performance indicators enabling benchmarking across the Trust and ensuring that it maintains a strategic role.

BOURNE EDUCATION TRUST

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2015

Procurement and cross trust collaboration

Contracts and services are regularly appraised and renegotiated when appropriate to ensure value for money. The Trust gains the required number of quotes for any purchase. In exceptional circumstances when this is not possible the reason is recorded. Each academy within the trust assesses the cost and benefits of various options before making a decision to ensure the right option for the longer term with no supplier being chosen entirely on price. Where appropriate schools in the trust have collaborated on cross trust procurement or service improvements:

IT & Telephony – we reviewed telephony services resulting in four schools in the trust moving to the same products and services which will allow simplicity in maintenance, improved communication between schools and reduced costs. Most of the schools in the trust have now moved onto a common website platform to ensure a high quality of information presented to stakeholders and several of the schools have worked together on improving educational IT with the introduction of I pads.

Governance– we have developed a governance portal to improve communication with governors, provide a consistent quality of communication and to allow ease of communication between the board and the governing bodies of the schools.

Project Management – we have used a combination of direct quotations and quotations through a building project management company to ensure that we get best value for money in refurbishment and capital projects which has resulted in a high degree of success across the Trust in bids to the Condition Improvement Fund. Epsom & Ewell High School has been successful in a bid to sell off an unused parcel of land in order to allow it to develop a larger unused piece of land for school and community sports.

Review of staffing - we have carried out a support staff review at one of the schools in the trust using benchmarking data which has resulted in a significantly smaller support staff team and ensured that the school did not go into deficit. A review of a second school has been undertaken post year end. This is to ensure that the school has a structure that is fit for purpose.

Income generation - we have been successful in generating income from providing services to schools and through the hire of Trust facilities which although deemed unrestricted income is generated to invest in better provision for our pupils. This has included IT services, staff reviews and provision of lead practitioners. Such work allows us to support other schools in their development and recruit additional high level staff which benefits our students whilst covering the differential in salary costs. However, less income has been generated than in previous years as much of the school to school support is between schools in the Trust.

Policy management - the trust schools collaborated on developing harmonised HR policies during the year. This along with support from our personnel advisor has meant a significant advance in the expertise of the trust's business managers.

BOURNE EDUCATION TRUST

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2015

Reviewing controls and managing risks

Frequent budget monitoring and management reports are produced and reviewed by school management, governors and board members and any necessary remedial action taken to address significant variances that may have an impact on the budget out-turn or areas of school performance. Although interest rates remain low the Bourne Education Trust is looking at investment of larger bank balances in longer term interest bearing financial structures. This redirection of spare resources will continue to be a key focus for 2015-16 taking into account future needs as outlined in the schools' reserves policies. Risk management is an area of focus by the Audit Committee who will continue to identify key areas to test across the Trust. The trust maintains three year plans which are revisited termly.

Areas for development

The trust has identified the following areas for development: strategy for the future development of the trust, filling the skills gaps identified amongst the directors of the trust, improved management of liquid surpluses, growth of the business management team in the sponsor school, appointing a performance and standards committee to oversee education standards across the trust, further develop the use of subject hubs to share best practice and resources and identify and advance future leaders to ensure that we retain our best talent.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Bourne Education Trust for the year ended 31 August 2015 and up to the date of approval of the directors' annual report and financial statements.

Capacity to Handle Risk

The board of trustees have reviewed the key risks to which Bourne Education Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing Bourne Education Trust's significant risks that has been in place for the year ended 31 August 2015 and up to the date of approval of the trustees' annual report and financial statements. This process is regularly reviewed by the board of trustees.

BOURNE EDUCATION TRUST

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2015

The Risk and Control Framework

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

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

The board of trustees has considered the need for a specific internal audit function and the greater freedoms of the current Academies Financial Handbook. It has established an Audit Committee and has delegated the internal audit function to the audit committee who agree the areas for review. The committee has carried out or commissioned through the central finance team three internal audit reviews during 2014/2015 which have been reviewed by the Audit Committee. The Audit Committee will continue to monitor the effectiveness of this process.

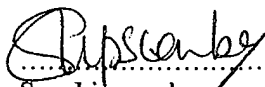
Review of effectiveness

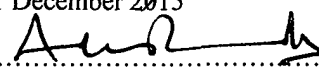
As Accounting Officer, the Executive Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year ended 31 August 2015, this review has been informed by:

- the work of the internal audit team;
- the work of the trust Board;
- the work of the Audit Committee;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- financial due diligence reviews carried out by the Trust Improvement Partner; and
- the work of the local Governing Bodies and the key senior Trust staff who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 11 December 2015 and signed on its behalf by:


..... Chair
Sara Lipscombe
11 December 2015


..... Accounting Officer
Alex Russell
11 December 2015


BOURNE EDUCATION TRUST

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2015**

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

I confirm that I and the Academy Trust board of trustees are able to identify any material, irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the Academy Trust governing body and the EFA.


..... **Accounting Officer**
Alex Russell

11 December 2015

BOURNE EDUCATION TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

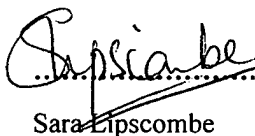
The trustees (who act as governors of the Bourne Education Trust are also directors of the charitable company for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with the Annual Academies Accounts Direction published by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2005;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

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

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

 Chair
Sara Lipscombe

11 December 2015

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BOURNE EDUCATION TRUST

We have audited the financial statements of Bourne Education Trust for the year ended 31 August 2015 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 20, the Trustees (who are also the directors of Bourne Education Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group and the charitable company's affairs as at 31 August 2015 and of the group's and the charitable company's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

Opinion on other matter prescribed by the Companies Act 2006

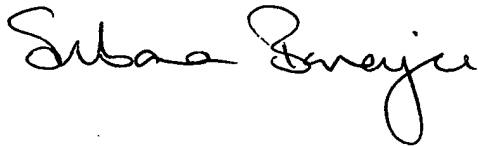
In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF BOURNE EDUCATION TRUST (continued)**

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



**Subarna Banerjee (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young, Statutory Auditor**

Quadrant House
4 Thomas More Square
London
E1W 1YW

15 December 2015

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE BOARD OF TRUSTEES OF BOURNE EDUCATION TRUST AND THE EDUCATING FUNDING AGENCY

In accordance with the terms of our engagement letter dated 16 June 2015 and further to the requirements of the Education Funding Agency (EFA), as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Bourne Education Trust during the year to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Bourne Education Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Bourne Education Trust and the EFA those matters we are required to state to it in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Bourne Education Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Bourne Education Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Bourne Education Trust's funding agreement with the Secretary of State for Education dated 1 October 2011 and the Academies Financial Handbook, extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year to 31 August 2015 have not been applied to purposes intended by Parliament or that financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2014, issued by the EFA. We performed a limited assurance engagement, as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE BOARD OF TRUSTEES OF BOURNE EDUCATION TRUST AND THE EDUCATING FUNDING AGENCY (continued)

The work undertaken to draw our conclusion includes:

- Review and corroboration of the most recent financial management and governance evaluation
- Evaluation of the general control environment
- Confirmation that the internal delegations have been approved by the governing body, and conform to the limits set by the Department for Education
- Review of the declaration of interests to ensure completeness
- Review of minutes for evidence of declaration of interest
- A sample of payments has been reviewed to confirm that each item has been appropriately authorised in accordance with the academy trust's delegated authorities
- A sample of cash payments were reviewed for unusual transactions
- A sample of expenditure items were reviewed against specific terms of grant funding within the funding agreement
- Formal representations have been obtained from the governing body and the accounting officer acknowledging their responsibilities for matters relating to regularity and propriety

Conclusion

In the course of our work, nothing has come to our attention which suggests that, in all material respect, the expenditure disbursed and income received during the year to 31 August 2015, has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

UHY Hacker Young

**UHY Hacker Young
Reporting Accountants**

Quadrant House
4 Thomas More Square
London
E1W 1YW

15 December 2015

BOURNE EDUCATION TRUST

**STATEMENT OF CONSOLIDATED FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2015
(INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL
RECOGNISED GAINS & LOSSES)**

	Notes	Unrestricted fund	Restricted funds General funds	Fixed asset fund	2015 Total	2014 Total (restated)
		£	£	£	£	£
Incoming resources						
<i>Incoming resources from generated funds:</i>						
Voluntary income	2	40,580	82,560	-	123,140	194,844
Inherited upon conversion		444,955	(1,816,000)	13,014,089	11,643,044	23,132,607
Activities for generating funds	3	1,040,609	135,380	-	1,175,989	610,426
Investment income	4	5,317	21	-	5,338	3,749
<i>Incoming resources from charitable activities</i>						
Funding for the academy's educational operations	5	20,900	20,693,698	-	20,714,598	13,779,981
Total incoming resources		<u>1,552,361</u>	<u>19,095,659</u>	<u>13,014,089</u>	<u>33,662,109</u>	<u>37,721,607</u>
Resources expended						
<i>Cost of generating funds:</i>						
Costs of activities for generating funds	7	350,239	303,339	-	653,578	333,506
<i>Charitable activities:</i>						
Academy's educational operations	6 & 8	172,980	19,424,480	978,747	20,576,207	12,414,299
Governance costs	6 & 9	32,852	6,752	-	39,604	140,925
Total resources expended		<u>556,071</u>	<u>19,734,571</u>	<u>978,747</u>	<u>21,269,389</u>	<u>12,888,730</u>
Net incoming/(outgoing) resources before transfers		<u>996,290</u>	<u>(638,912)</u>	<u>12,035,342</u>	<u>12,392,720</u>	<u>24,832,877</u>
Gross transfers between funds	19	<u>(190,616)</u>	<u>(656,340)</u>	<u>846,956</u>	<u>-</u>	<u>-</u>
Net income/(expenditure) for the year		<u>805,674</u>	<u>(1,295,252)</u>	<u>12,882,298</u>	<u>12,392,720</u>	<u>24,832,877</u>
Other recognised gains and losses						
Actuarial losses on defined benefit pension schemes	31	-	(62,000)	-	(62,000)	(890,000)
Net movement in funds		<u>805,674</u>	<u>(1,357,252)</u>	<u>12,882,298</u>	<u>12,330,720</u>	<u>23,942,877</u>
Total funds brought forward at 31 August 2014		<u>1,984,389</u>	<u>(2,807,389)</u>	<u>38,309,987</u>	<u>37,486,987</u>	<u>14,916,110</u>
Prior year adjustment	1.13	-	-	1,372,000	1,372,000	-
Total funds carried forward at 31 August 2015	19	<u><u>2,790,063</u></u>	<u><u>(4,164,641)</u></u>	<u><u>52,564,285</u></u>	<u><u>51,189,707</u></u>	<u><u>38,858,987</u></u>

All of the Trust's activities derive from continuing operations during the financial period. A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

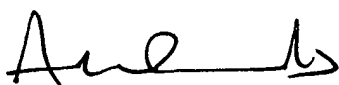
BOURNE EDUCATION TRUST

**CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2015**

	Notes	2015 £	2014 (restated) £
Fixed assets			
Tangible assets	14	52,564,285	39,681,987
		<hr/>	<hr/>
		52,564,285	39,681,987
Current assets			
Debtors	17	934,316	891,736
Cash in hand and at bank		5,502,984	3,178,878
		<hr/>	<hr/>
		6,437,300	4,070,614
Liabilities			
Creditors: amounts falling due within one year	18	(1,926,878)	(1,100,614)
		<hr/>	<hr/>
Net current assets		4,510,422	2,970,000
		<hr/>	<hr/>
Net assets excluding pension liability		57,074,707	42,651,987
		<hr/>	<hr/>
Pension scheme liability	31	(5,885,000)	(3,793,000)
		<hr/>	<hr/>
Net assets including pension liability		51,189,707	38,858,987
		<hr/>	<hr/>
The funds of the academy:			
Restricted income funds			
Fixed asset funds	19	52,564,285	39,681,987
General funds	19	1,720,361	985,611
Pension reserve	19	(5,885,000)	(3,793,000)
		<hr/>	<hr/>
Total restricted funds		48,399,646	36,874,598
Unrestricted income fund			
General fund	19	2,790,061	1,984,389
		<hr/>	<hr/>
Total funds		51,189,707	38,858,987
		<hr/>	<hr/>

The financial statements on pages 25 to 56 were approved by the Board of Trustees, and authorised for issue on 11 December 2015 and are signed on their behalf by:

Alex Russell
Accounting Officer



Company registration no: 07768726

BOURNE EDUCATION TRUST

**TRUST BALANCE SHEET
AS AT 31 AUGUST 2015**

	Notes	2015 £	2014 (restated) £
Fixed assets			
Tangible assets	14	52,564,285	39,681,987
Investments	16	2	-
		<u>52,564,287</u>	<u>39,681,987</u>
Current assets			
Debtors	17	892,469	891,736
Cash in hand and at bank		5,337,964	3,178,878
		<u>6,230,433</u>	<u>4,070,614</u>
Liabilities			
Creditors: amounts falling due within one year	18	(1,862,287)	(1,100,614)
Net current assets		<u>4,368,146</u>	<u>2,970,000</u>
Net assets excluding pension liability		<u>56,932,433</u>	<u>42,651,987</u>
Pension scheme liability	31	(5,885,000)	(3,793,000)
Net assets including pension liability		<u><u>51,047,433</u></u>	<u><u>38,858,987</u></u>
The funds of the academy:			
Restricted income funds			
Fixed asset funds	20	52,564,285	39,681,987
General funds	20	1,720,361	985,611
Pension reserve	20	(5,885,000)	(3,793,000)
Total restricted funds		<u>48,399,646</u>	<u>36,874,598</u>
Unrestricted income fund			
General fund	20	2,647,787	1,984,389
Total funds		<u><u>51,047,433</u></u>	<u><u>38,858,987</u></u>

The financial statements on pages 25 to 56 were approved by the Board of Trustees, and authorised for issue on 11 December 2015 and are signed on their behalf by:



Alex Russell
Accounting Officer
Company registration no: 07768726

BOURNE EDUCATION TRUST

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

	Notes	2015 £	2014 (restated) £
Net cash inflow from operating activities	25	1,428,276	1,534,734
Returns on investments and servicing of finance	26	5,336	3,749
Capital expenditure	27	336,646	(371,808)
Acquisitions and disposals			
Cash transferred upon a subsidiary joining the group		32,397	-
Cash transferred upon Conversion to Academy status		521,451	643,047
		<u>2,324,106</u>	<u>1,809,722</u>
Increase in cash in the year			
Reconciliation of net cash flow to movement in net funds			
Net funds at 1 September 2014		3,178,878	1,369,156
Net funds at 31 August 2015 – Cash in hand and at bank	28	<u>5,502,984</u>	<u>3,178,878</u>

BOURNE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

1 Statement of accounting policies

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction issued by the EFA and the Companies Act 2006.

A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

1.2 Basis of consolidation

These financial statements consolidate on a line-by-line basis the results of the Academy Trust and its wholly owned subsidiaries, Bourne Education Trust Enterprises Limited and Matthew Arnold Enterprises Limited. A separate statement of financial activities (incorporating an income and expenditure account) for the Company itself is not presented because the Company has taken advantage of the exemptions afforded by section 230 of the Companies Act 2006 and paragraph 397 of SORP 2005. The Academy Trust's net income for the year was £12,188,446.

1.3 Going concern

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

1.4 Incoming resources

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

All sources of income given for specific purposes are treated as restricted income.

Grants receivable

Grants receivable for tuition and other wider educational activities, other operating income, activities for generating funds and investment income are accounted for on an accruals basis. Income is recognised as receivable and excluding any relevant Value Added Tax when earned.

The General Annual Grant ('the GAG') from the DfE, which is intended to meet recurrent costs, is recognised on a receivable basis and is credited directly to the statement of financial activities, as incoming resources from charitable activities, to the extent of the entitlement of the funds, any abatement in respect of the period is deducted from income and is recognised as a liability.

Capital grants are recognised as voluntary income on a receivable basis to the extent there is entitlement. Other grants from government agencies and other bodies are recognised in the period in which they are receivable to the extent the conditions of funding have been met. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donations

General donations and other similar types of voluntary income are brought into account when receivable and donated income is included gross of any attributable tax recoverable, where relevant.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1 Statement of accounting policies (continued)

Other income

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

Donated services and gifts in kind

Donated assets, donated services and gifts in kind are recognised in the statement of financial activities at their fair value to the charitable company in the period in which they are receivable, and where the benefit to the Academy Trust is both quantifiable and material. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with academy's policies.

1.5 Resources expended

Expenditure is recognised in the period in which the rights and obligations that relate to goods received by or services performed for the Academy Trust are materially fulfilled, with the relevant liability to pay the suppliers concerned being recognised as a liability. Resources expended are therefore generally recognised in the period in which they are incurred and include any elements of irrecoverable Value Added Tax.

Resources expended are allocated to the Academy Trust's principal activity, to the costs of generating funds or to governance costs, where the costs involved can be identified as being directly related to those categories. All other costs are categorised as support costs and are allocated in proportions based upon a suitable ratio applicable to the nature of the cost involved.

Costs of generating funds

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

Charitable activities

These are costs incurred on the Trust's educational operations.

Governance costs

Governance costs are the costs associated with running the Academy Trust as an academy trust, and in particular include a proportion of staff costs and direct legal and professional support costs, including audit fees.

1.6 Tangible fixed assets

Tangible fixed assets are stated at historical cost less depreciation. Depreciation is provided on all tangible fixed assets, other than freehold land and assets in the course of construction, at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Long leasehold land	over 125 years
Freehold and long leasehold buildings	over 25 to 50 years
Plant and machinery	over 3 to 10 years

Where fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fund through the statement of financial activities and carried forward in the balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund through the statement of financial activities over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy. Fixed assets below £2,000 are not capitalised.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1 Statement of accounting policies (continued)

1.6 Tangible fixed assets (continued)

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

1.7 Leased assets and obligations

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the statement of financial activities in proportion to the remaining balance outstanding.

All other leases are "operating leases" and the annual rentals are charged to the statement of financial activities on a straight line basis over the lease term.

1.8 Taxation

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

1.9 Pension benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme England and Wales ("TPS") and the Surrey Local Government Pension Scheme ("LGPS"). These are defined benefit schemes and the assets are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 28, the TPS is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year as allowed by the relevant accounting standard FRS 17 'Retirement Benefits'.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1 Statement of accounting policies (continued)

1.10 Fund accounting

Unrestricted funds comprise the accumulated surpluses of unrestricted incoming resources over resources expended, which are available for use in furtherance of the general objectives of the Academy Trust and at the discretion of the directors.

Designated funds are a particular form of unrestricted funds consisting of amounts, which have been allocated or designated for specific purposes by the directors. The use of designated funds remains at the discretion of the directors.

Restricted funds are funds subject to specific conditions imposed by donors. The purpose and use of the restricted funds are set out in the notes to the financial statements. Amounts unspent at the year end are carried forward in the balance sheet.

Restricted fixed assets funds are resources which are to be applied to specific capital purposes imposed by the funders where the assets acquired or created are tangible fixed assets. Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder and include grants from the Education Funding Agency and the Department for Education.

1.11 Agency Arrangements

The Academy Trust acts as an agent in the administering of 16-19 Bursary Funds from the Department for Education via the Education Funding Agency ("EFA"). Related payments received from the EFA and subsequent disbursements to students are excluded from the statement of financial activities to the extent that the Academy Trust does not have a beneficial interest in the individual transactions. Where funds have not been fully applied in any particular year, an amount will be included within liabilities at the balance sheet date as amounts due to the EFA.

1.12 Conversion to an Academy

Within these financial statements and in respect of new schools joining the multi-academy trust, the conversion from a maintained school to an academy involves the transfer of identifiable assets and liabilities and the operations of the school for £Nil consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred upon conversion from a maintained school to an academy have been valued at their fair value being a reasonable estimate of the current market value that the directors would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for the example Coketown Academy Trust Limited within the Academies Accounts Direction 2014 to 2015. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income as a gift in the statement of financial activities and analysed under unrestricted, restricted general and restricted fixed asset funds.

1.13 Prior year adjustment

Comparative figures have been restated to reflect one error in the prior year accounts.

£1,400,000 of freehold and leasehold building improvements were incorrectly expensed in the prior years' financial statements dating back to 2012. £28,000 of cumulative depreciation has also been charged on these assets. As a result, fixed assets and net assets have increased by £1,372,000 as at 1 September 2014. This has been reflected as a prior year adjustment.

BOURNE EDUCATION TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

2	Voluntary income	Unrestricted fund £	Restricted funds £	Total 2015 £	Total 2014 £
	Funds inherited on conversion (see note 35):				
	Net current assets	444,955	-	444,955	643,047
	Fixed assets	-	13,014,089	13,014,089	24,783,560
	Local government pension scheme deficit	-	(1,816,000)	(1,816,000)	(2,294,000)
		<u>444,955</u>	<u>11,198,089</u>	<u>11,643,044</u>	<u>23,132,607</u>
	Other voluntary income	40,580	82,560	123,140	194,844
		<u>485,535</u>	<u>11,280,649</u>	<u>11,766,184</u>	<u>23,327,451</u>
3	Activities for generating funds	Unrestricted fund £	Restricted funds £	Total 2015 £	Total 2014 £
	Hire of facilities	229,115	3,380	232,495	95,432
	Catering income	100,722	992	101,713	1,050
	Trip income	101,846	74,856	176,702	165,714
	Other	608,926	56,153	665,079	348,230
		<u>1,040,609</u>	<u>135,380</u>	<u>1,175,989</u>	<u>610,426</u>
4.	Investment income	Unrestricted fund £	Restricted funds £	Total 2015 £	Total 2014 £
	Bank interest receivable	<u>5,317</u>	<u>21</u>	<u>5,338</u>	<u>3,749</u>

BOURNE EDUCATION TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

5 Funding for academy's educational operations

	Unrestricted fund £	Restricted funds £	Total 2015 £	Total 2014 £
Restricted general funds				
DfE / EFA revenue grants				
- General Annual Grant (GAG)	-	16,248,528	16,248,528	10,785,017
- Other DfE / EFA grants	10	117,697	117,707	836,977
	10	16,366,225	16,366,235	11,621,994
Other Government grants				
- Local authority grants	3,088	2,930,831	2,933,919	1,427,467
	3,098	19,297,056	19,300,154	13,049,461
Restricted fixed asset funds				
- DfE/EFA capital grants	-	1,339,792	1,339,792	730,520
	3,098	20,636,848	20,639,946	13,779,981
Other Academy Trust income				
- Other educational income	17,802	56,850	74,652	-
	20,900	20,693,698	20,714,598	13,779,981

6 Resources expended

	Staff costs £	Non-pay expenditure		Total 2015 £	Total 2014 (restated) £
		Premises £	Other costs £		
Academy's educational operations (note 8)					
- direct costs	12,677,137	-	842,475	13,519,612	9,046,594
- allocated support costs	2,039,306	2,500,753	2,516,536	7,056,595	3,367,705
	14,716,443	2,500,753	3,359,011	20,576,207	12,414,299
Governance costs including allocated support costs					
	-	-	39,603	39,603	140,925
	14,716,443	2,500,753	3,398,614	20,615,810	12,455,224

BOURNE EDUCATION TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

7 Costs of activities for generating funds

	Unrestricted fund £	Restricted funds £	Total 2015 £	Total 2014 £
Trip expenditure	150,469	-	150,469	203,232
Catering expenditure	37,397	303,179	340,576	130,274
Other	162,373	160	162,533	-
	<u>350,239</u>	<u>303,339</u>	<u>653,578</u>	<u>333,506</u>

8 Charitable activities – Academy’s educational operations

	Unrestricted fund £	Restricted funds £	Total 2015 £	Total 2014 (restated) £
Direct costs				
Teaching and educational support staff costs	-	12,677,137	12,677,137	8,154,989
Educational supplies	-	286,781	286,781	264,304
Examination fees	-	198,557	198,557	110,774
Staff development	400	110,015	110,415	86,889
Other direct costs	(29,130)	275,852	246,722	429,638
	<u>(28,730)</u>	<u>13,548,342</u>	<u>13,519,612</u>	<u>9,046,594</u>
Allocated support costs				
Support staff costs	183,178	1,856,128	2,039,306	1,067,728
Depreciation (fixed asset restricted fund)	-	978,747	978,747	572,152
Recruitment and support	204	88,860	89,064	49,640
Maintenance of premises and equipment	10,592	1,667,434	1,678,026	272,061
Rent, rates and utilities	7,121	495,979	503,100	342,239
Insurance	-	175,328	175,328	143,090
Cleaning	-	221,596	221,596	209,637
IT support costs	615	359,482	360,097	271,761
Legal and professional fees	-	287,605	287,605	89,623
Operating Lease Costs	-	98,031	98,031	37,834
Other support costs	-	502,695	502,695	230,940
LGPS finance charge	-	123,000	123,000	81,000
	<u>201,710</u>	<u>6,854,885</u>	<u>7,056,595</u>	<u>3,367,705</u>
	<u>172,980</u>	<u>20,403,227</u>	<u>20,576,207</u>	<u>12,414,299</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

9 Governance costs	Unrestricted fund £	Restricted funds £	Total 2015 £	Total 2014 £
Legal and professional fees	-	-	-	102,696
Auditors' remuneration				
- audit of financial statements	32,852	6,752	39,604	32,750
- other fees	-	-	-	5,479
	<u>32,852</u>	<u>6,752</u>	<u>39,604</u>	<u>140,925</u>

10 Staff costs

Staff costs during the year were:

	2015 Total £	2014 Total £
Wages and salaries	11,017,704	7,269,084
Social security costs	794,484	532,038
Pension costs	1,840,115	1,090,448
Staff severance Payments	57,473	24,500
	<u>13,709,776</u>	<u>8,916,070</u>
Supply teacher costs	1,006,667	306,647
	<u>14,716,443</u>	<u>9,222,717</u>

Included within staff severance payments above are non-statutory/non-contractual severance payments of £57,473 (2014: £Nil)

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

	2015 Number	2014 Number
Charitable Activities		
Teachers & support	324	247
Premises	12	6
Administration	36	28
	<u>372</u>	<u>281</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**
10 Staff costs (continued)

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

	2015 Number	2014 Number
£60,000 - £70,001	6	-
£80,000 - £90,001	1	-
£90,000 - £100,001	1	2
£100,000 - £110,001	-	1
£160,000 - £170,001	1	-
	<u> </u>	<u> </u>

8 of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for these staff amounted to £89,562 (2014: £45,900).

1 of the above employees participates in the Local Government Pension Scheme. During the year ended 31 August 2015, pension contributions for this employee amounted to £17,898.

11 Trustees' remuneration and expenses

The Executive Headteacher and Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Executive Headteacher and staff and not in respect of their services as Trustees. Other Trustees did not receive any payments from the academy in respect of their role as Trustees. The value of trustees' remuneration was as follows:

Alex Russell (Headteacher, Accounting Officer and trustee)	£160,000
Sue Tresilian (Strategic Primary Partner, Headteacher and trustee)	£94,845

During the year ended 31 August 2015, travel and subsistence expenses totalling £3,037 were reimbursed to trustees (2014: £777).

12 Trustees' and Officers' insurance

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £2,000,000 (2014: £2,000,000) on any one claim and the cost for the year ended 31 August 2015 was included within the premium for the commercial combined policy and is not separately identifiable.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

13 Central Services

The Academy Trust provided £238,891 (2014: £108,068) of educational support central services to its academy schools during the year. The Academy Trust charges for these services on the basis of the following methodologies:

- Insurance, personnel, training and staffing costs recharged on an actual costs basis;
- Headteacher support charged on the basis of an agreed daily rate; and
- Contributions from schools to central costs charged at 1.5% of the school budget share.

The actual amounts charged during the year were as follows:

	Total 2015 £	Total 2014 £
Epsom and Ewell High School	54,385	18,807
Jubilee High School	52,210	15,153
Pyncroft Grange Primary School	13,755	67,768
Sythwood Primary School	29,706	6,340
Sayes Court Primary School	15,863	-
Matthew Arnold School	72,972	-
	<hr/>	<hr/>
	238,891	108,068
	<hr/>	<hr/>

BOURNE EDUCATION TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

14 Tangible fixed assets – Group and academy

	Freehold Land and Buildings £	Long Leasehold Land and Buildings £	Freehold & leasehold building improvements £	Plant and Machinery £	Total £
Cost					
At 1 September 2014 (as previously stated)	29,755,034	9,480,016	-	370,415	39,605,465
Prior year adjustment (note 1.13)	-	-	1,400,000	-	1,400,000
At 1 September 2014 (restated)	29,755,034	9,480,016	1,400,000	370,415	41,005,465
Inherited upon conversion	-	12,209,431	-	804,568	13,013,999
Additions	-	-	606,392	240,654	847,046
At 31 August 2015	29,755,034	21,689,447	2,006,392	1,415,637	54,866,510
Depreciation					
At 1 September 2014 (as previously stated)	1,125,269	103,030	-	67,179	1,295,478
Prior year adjustment (note 1.13)	-	-	28,000	-	28,000
At 1 September 2014 (restated)	1,125,269	103,030	28,000	67,179	1,323,478
Charge in year	415,626	291,566	40,128	231,427	978,747
At 31 August 2015	1,540,895	394,596	68,128	298,606	2,302,225
Net book values					
At 31 August 2015	28,214,139	21,294,851	1,938,264	1,117,031	52,564,285
At 31 August 2014 (restated)	28,629,765	9,376,986	1,372,000	303,236	39,681,987

15 Tangible fixed assets – Academy

The freehold and long leasehold land and buildings inherited by the Academy Trust upon transfer were valued at £12,209,431 on an existing use value basis and a depreciated replacement cost basis by DVS Property Specialists

	£
The cost of the above tangible assets was funded by:	
Fixed assets inherited upon conversion	52,249,049
General Annual Grant	1,127,016
Capital grants	1,490,445
	<u>54,866,510</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**
16 Investments - Academy

	Total 2015 £	Total 2014 £
Shares in subsidiary undertakings	2	-
	<u>2</u>	<u>-</u>
	<u>2</u>	<u>-</u>

Holdings of more than 20%

The company holds more than 20% of the share capital of the following company:

Company	Country of registration or incorporation	Class	Shares held %
Bourne Education Trust Enterprises Limited	England and Wales	Ordinary	100.00
Matthew Arnold Enterprises Limited	England and Wales	Ordinary	100.00

The subsidiary undertakings carry out the trading activities of the Academy Trust. Bourne Education Trust Enterprises Limited carries out training of teachers. Matthew Arnold Enterprises Limited carries out the letting and operations of sports facilities.

The results of the subsidiaries for the year ended 31 August 2015 were as follows:

	Bourne Education Trust Enterprises Limited £	Matthew Arnold Enterprises Limited £	Total £
Turnover	73,152	369,025	442,177
Operating expenses	-	(303,836)	(303,836)
Gift aid	(73,152)	(65,189)	(138,341)
	<u>-</u>	<u>-</u>	<u>-</u>
Net profit before taxation	-	-	-
Taxation charge	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Retained profit for the year	<u>-</u>	<u>-</u>	<u>-</u>

BOURNE EDUCATION TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

16 Investments – Academy (continued)

At 31 August 2015 the aggregate amount of net assets and reserves was as follows:

	Bourne Education Trust Enterprises Limited £	Matthew Arnold Enterprises Limited £	Total £	
Current assets	87,782	140,339	228,121	
Current liabilities	(87,781)	(140,338)	(228,119)	
	<u>1</u>	<u>1</u>	<u>2</u>	
Represented by:				
Share capital	1	1	2	
Reserves	-	-	-	
	<u>1</u>	<u>1</u>	<u>2</u>	
	<u><u>1</u></u>	<u><u>1</u></u>	<u><u>2</u></u>	
17 Debtors	Group 2015 £	Group 2014 £	Academy 2015 £	Academy 2014 £
Trade debtors	160,962	95,364	104,494	95,364
Other debtors	340,891	411,690	362,132	411,690
Prepayments and accrued income	432,463	384,682	425,841	384,682
	<u>934,316</u>	<u>891,736</u>	<u>892,469</u>	<u>891,736</u>
	<u><u>934,316</u></u>	<u><u>891,736</u></u>	<u><u>892,469</u></u>	<u><u>891,736</u></u>

BOURNE EDUCATION TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

18 Creditors: amounts falling due within one year	Group 2015 £	Group 2014 £	Academy 2015 £	Academy 2014 £
Trade creditors	828,922	296,094	785,545	296,094
Taxation and social security	245,657	194,823	245,657	194,823
Pension contributions payable	224,124	116,925	224,124	116,925
Other creditors	28,474	91,170	28,479	91,170
Accruals	355,701	315,379	346,515	315,379
Deferred income (see below)	244,000	86,223	231,967	86,223
	<u>1,926,878</u>	<u>1,100,614</u>	<u>1,862,287</u>	<u>1,100,614</u>
Deferred income	Group 2015 £	Group 2014 £	Academy 2015 £	Academy 2014 £
Deferred income at 1 September	86,223	17,121	86,223	17,121
Income deferred in the year	244,000	86,223	231,967	86,223
Amounts released from previous years	(86,223)	(17,121)	(86,223)	(17,121)
Deferred income at 31 August 2014 included in accruals and deferred income above	<u>244,000</u>	<u>86,223</u>	<u>231,967</u>	<u>86,223</u>

At the balance sheet date the academy was holding funds of £244,000 (2014: £86,223) received in advance.

BOURNE EDUCATION TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

19 Funds – Group	Balance at 31 August 2014 (as previously stated) £	Prior year adjustment £	Balance at 31 August 2014 (restated) £	Incoming resources £	Resources expended £	Gains, losses & transfers £	Balance at 31 August 2015 £
Restricted general funds							
General Annual Grant (GAG)	590,420	-	590,420	15,862,307	(15,233,261)	(445,824)	773,642
Rates and insurance fund	9,944	-	9,944	134,582	(257,404)	89,838	(23,040)
Capital grants fund	133,704	-	133,704	1,344,963	(530,236)	(606,392)	342,039
MAT set-up and improvement fund	136,381	-	136,381	288,276	(89,000)	386	336,043
Special educational needs fund	-	-	-	1,293,937	(1,528,207)	234,270	-
Pupil premium & learning support unit fund	-	-	-	983,774	(992,601)	22,730	13,903
Sponsor capacity fund	29,942	-	29,942	-	(76,843)	46,901	-
Children's centre fund	52,123	-	52,123	565,962	(599,128)	-	18,957
Early years' fund	33,097	-	33,097	328,178	(102,458)	-	258,817
Nature group fund	-	-	-	71,461	(71,469)	8	-
Restrict sports funding	-	-	-	38,219	(39,962)	1,743	-
LGPS deficit fund	(3,793,000)	-	(3,793,000)	(1,816,000)	(214,000)	(62,000)	(5,885,000)
	<u>(2,807,389)</u>	<u>-</u>	<u>(2,807,389)</u>	<u>19,095,659</u>	<u>(19,734,569)</u>	<u>(718,340)</u>	<u>(4,164,639)</u>
Restricted fixed asset funds							
Inherited fixed asset fund	38,078,692	-	38,078,692	13,014,089	(867,663)	-	50,225,118
General annual grant fixed assets fund	154,760	1,372,000	1,526,760	-	(111,084)	846,956	2,262,632
Capital grant fixed assets fund	76,535	-	76,535	-	-	-	76,535
	<u>38,309,987</u>	<u>1,372,000</u>	<u>39,681,987</u>	<u>13,014,089</u>	<u>(978,747)</u>	<u>846,956</u>	<u>52,564,285</u>
Total restricted funds	<u>35,502,598</u>	<u>1,372,000</u>	<u>36,874,598</u>	<u>32,109,748</u>	<u>(20,713,316)</u>	<u>128,616</u>	<u>48,399,646</u>
Unrestricted funds	<u>1,984,389</u>	<u>-</u>	<u>1,984,389</u>	<u>1,552,359</u>	<u>(556,071)</u>	<u>(190,616)</u>	<u>2,790,061</u>
Total funds	<u>37,486,987</u>	<u>1,372,000</u>	<u>38,858,987</u>	<u>33,662,107</u>	<u>(21,269,387)</u>	<u>(62,000)</u>	<u>51,189,707</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

19 Funds – Group (continued)

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

General Annual Grant

The General Annual Grant must be used for the normal running costs of the Academy including salary costs, overheads, premises costs and curriculum costs. Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

Other DfE/EFA and government grants

Other grants include funding received from the DfE and Local Education Authorities for specific purposes.

Fixed asset fund

The fixed asset fund includes grants received from the DfE and other sources to finance the purchase of tangible fixed assets.

Pension reserve

The pension reserve is the element of the local government pension fund liability attributable to the Academy (see note 31).

Transfer between funds

A transfer from unrestricted funds to the restricted fixed asset fund was necessary to fund capital expenditure carried out during the year.

BOURNE EDUCATION TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

20 Funds – Academy	Balance at 31 August 2014 (as previously stated) £	Prior year adjustment £	Balance at 31 August 2014 (restated) £	Incoming resources £	Resources expended £	Gains, losses & transfers £	Balance at 31 August 2015 £
Restricted general funds							
General Annual Grant (GAG)	590,420	-	590,420	15,862,308	(15,353,617)	(325,469)	773,642
Capital grants fund	133,704	-	133,704	1,344,963	(530,236)	(606,392)	342,039
Rates and insurance fund	9,944	-	9,944	134,582	(257,404)	89,838	(23,040)
MAT set-up and improvement fund	136,381	-	-	288,276	(89,000)	386	336,043
Special educational needs fund	-	-	-	1,293,937	(1,528,207)	234,270	-
Pupil premium & learning support unit fund	-	-	-	983,774	(992,601)	22,730	13,903
Sponsor capacity fund	29,942	-	29,942	-	(76,843)	46,901	-
Children's centre fund	52,123	-	52,123	565,962	(599,128)	-	18,957
Early years' fund	33,097	-	33,097	328,178	(102,458)	-	258,817
Nuture group fund	-	-	-	71,461	(71,469)	8	-
Restrict sports funding	-	-	-	38,219	(39,962)	1,743	-
Pension reserve	(3,793,000)	-	(3,793,000)	(1,816,000)	(214,000)	(62,000)	(5,885,000)
	(2,807,389)	-	(2,807,389)	19,095,660	(19,854,925)	(597,985)	(4,164,639)
Restricted fixed asset funds							
Inherited fixed asset fund	38,078,692	-	38,078,692	13,014,089	(867,663)	-	50,255,118
General annual grant fixed assets fund	154,760	1,372,000	1,526,760	-	(111,084)	846,956	2,262,632
Capital grant fixed assets fund	76,535	-	76,535	-	-	-	76,535
	38,309,987	1,372,000	39,681,987	13,014,089	(978,747)	846,956	52,564,285
Total restricted funds	35,502,598	1,372,000	36,874,598	32,109,749	(20,833,672)	248,971	48,399,646
Unrestricted funds	1,984,389	-	1,984,389	1,182,998	(208,629)	(310,971)	2,647,787
Total funds	37,486,987	1,372,000	38,858,987	33,292,747	(21,042,301)	(62,000)	51,047,433

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**
20 Funds – Academy (continued)

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

General Annual Grant

The General Annual Grant must be used for the normal running costs of the Academy including salary costs, overheads, premises costs and curriculum costs. Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

Other DfE/EFA and government grants

Other grants include funding received from the DfE and Local Education Authorities for specific purposes.

Fixed asset fund

The fixed asset fund includes grants received from the DfE and other sources to finance the purchase of tangible fixed assets.

Pension reserve

The pension reserve is the element of the local government pension fund liability attributable to the Academy (see note 31).

Transfer between funds

A transfer from unrestricted funds to the restricted fixed asset fund was necessary to fund capital expenditure carried out during the year.

Analysis of academies by fund balance

	Total
	£
Closing fund balances as at 31 August 2015 were distributed as follows:	
Epsom and Ewell High School	1,267,915
Jubilee High School	567,432
Pycroft Grange Primary School	397,119
Sythwood Primary School	622,704
Sayes Court Primary School	338,415
Central services	816,181
Matthew Arnold School	358,382
	<hr/>
Total fund balances before fixed assets and pension reserve	4,368,148
	<hr/>
Restricted fixed assets funds	52,564,285
Pension reserve	(5,885,000)
	<hr/>
	51,047,433
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BOURNE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

20 Funds – Academy (*continued*)

Analysis of academies by cost

	Teaching and educational support staff costs £	Other support staff costs £	Educational Supplies £	Other costs (excluding depreciation) £	Total £
Epsom and Ewell High School	3,497,635	601,266	61,647	1,131,989	5,292,537
Jubilee High School	2,518,881	439,502	54,006	998,752	4,011,141
Pyncroft Grange Primary School	882,684	153,473	9,521	548,340	1,594,018
Sythwood Primary School	2,561,877	198,302	106,647	1,114,703	3,981,529
Sayes Court Primary School	865,174	156,142	30,074	603,136	1,654,526
Matthew Arnold School	2,350,886	499,416	24,886	805,368	3,680,556
Central Services	-	-	-	(150,752)	(150,752)
	<u>12,677,137</u>	<u>2,048,101</u>	<u>286,781</u>	<u>5,051,536</u>	<u>20,063,555</u>

21 Analysis of net assets between funds – Group

Fund balances at 31 August 2015 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds 2015 £	Total funds 2014 (restated) £
Tangible fixed assets	-	-	52,564,285	52,564,285	39,681,987
Current assets	2,790,063	3,647,237	-	6,437,300	4,070,614
Current liabilities	-	(1,926,878)	-	(1,926,878)	(1,100,614)
Pension scheme liability	-	(5,885,000)	-	(5,885,000)	(3,793,000)
Total net assets	<u>2,790,063</u>	<u>(4,164,641)</u>	<u>52,564,285</u>	<u>51,189,707</u>	<u>38,858,987</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

22 Analysis of net assets between funds - Trust

Fund balances at 31 August 2015 are represented by:

	Unrestricted funds	Restricted general funds	Restricted fixed asset funds	Total funds 2015	Total funds 2014 (restated)
	£	£	£	£	£
Tangible fixed assets	-	-	52,564,285	52,564,285	38,681,987
Investment in subsidiary	2	-	-	2	-
Current assets	2,647,785	3,582,648	-	6,230,433	4,070,614
Current liabilities	-	(1,862,287)	-	(1,862,287)	(1,100,614)
Pension scheme liability	-	(5,885,000)	-	(5,885,000)	(3,793,000)
Total net assets	2,647,786	(4,164,639)	52,564,285	51,047,433	38,858,987

23 Capital commitments

At the balance sheet date, the Academy Trust had no capital commitments either authorised and contracted for or authorised but not contracted for (31 August 2014: £Nil).

24 Financial commitments

At 31 August 2015, the Academy Trust had annual commitments under non-cancellable operating leases as follows:

	2015 £	2014 £
In respect of plant and machinery leases:		
expiring within one year	1,264	15,774
expiring within two to five years	54,242	27,897

BOURNE EDUCATION TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

25 Reconciliation of net income to net cash inflow from operating activities

	2015 £	2014 £ (restated)
Net income for the year	12,392,720	23,832,877
Cash transferred upon conversion to academy trust status	(521,451)	(643,047)
Assets/liabilities inherited on conversion	76,496	-
Subsidiary liabilities acquired on joining the group	13,345	-
Subsidiary cash transferred upon joining the group	(32,397)	-
Depreciation (note 13)	978,747	572,152
Capital Income	(1,183,602)	(730,520)
Interest receivable (note 4)	(5,336)	(3,749)
Non-cash movement: Inherited fixed assets	(13,014,089)	(24,783,560)
Non-cash movement: Inherited pension deficit	1,816,000	2,294,000
FRS 17 pension cost less contributions payable (note 31)	(91,000)	(65,000)
FRS 17 pension finance income (note 31)	123,000	81,000
(Increase) in debtors	(72,803)	(703,721)
Decrease in creditors	948,646	684,302
	<u>1,428,276</u>	<u>1,534,734</u>
Net cash inflow from operating activities	<u>1,428,276</u>	<u>1,534,734</u>

26 Returns on investments and servicing of finance

	2015 £	2014 £
Interest received	5,336	3,749
	<u>5,336</u>	<u>3,749</u>
Net cash inflow from returns on investment and servicing of finance	<u>5,336</u>	<u>3,749</u>

27 Capital expenditure and financial investment

	2015 £	2014 £ (restated)
Purchases of tangible fixed assets (note 13)	(846,956)	(1,102,328)
Capital grant income	1,183,602	371,808
	<u>336,646</u>	<u>553,687</u>
Net cash inflow from capital expenditure and financial investment	<u>336,646</u>	<u>553,687</u>

28 Analysis of changes in net funds

	At 31 August 2014 £	Cash flows £000	At 31 August 2015 £000
Cash in hand and at bank	<u>3,178,878</u>	<u>2,324,106</u>	<u>5,502,984</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

29 Contingent liabilities

There are no contingent liabilities at 31 August 2015 (2014: £Nil).

30 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the academy in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 (2014: £10) for the debts and liabilities contracted before he/she ceases to be a member.

31 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2012 and of the LGPS was 31 March 2013.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year (2014: £Nil).

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The Teachers' Pensions Regulations require an annual account to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the account has been credited with a real rate of return, which is equivalent to assuming that the balance in the account is invested in notional investments that produce that real rate of return.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

31 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme

The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.

The new employer contribution rate is applicable from 1 April 2015 and will be implemented for the TPS from September 2015.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Teachers' Pension Scheme Changes

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Pension benefits built up before 1 April 2015 will be fully protected.

In addition, the proposed final agreement includes a Government commitment that those within 10 years of normal pension age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases have been phased in since April 2012 on a 40:80:100% basis.

The Department for Education has continued to work closely with trade unions and other representatives' bodies to develop the reformatting Teachers' Pension Scheme and regulations giving effect to it came into force on 1 April 2014. Communications are being rolled out and the reformatting scheme will commence on 1 April 2015.

Under the definitions set out in Financial Reporting Standard (FRS 17) 'Retirement Benefits', the TPS is a multi-employer pension scheme. The academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**
31 Pension and similar obligations (continued)
Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £1,153,000 (2014: £634,000), of which employer's contributions totalled £925,000 (2014: £514,000) and employees' contributions totalled £228,000 (2014: £120,000). The agreed contribution rates for future years are 30.4% (2014: 29.9%) for employers and between 5.5% and 8.5% (2014: 5.5% and 8.5%) for employees.

Principal Actuarial Assumptions:	At 31 August 2015 £	At 31 August 2014 £
Rate of increase in salaries	4.0% - 4.10%	3.9%
Rate of increase for pensions	2.6% - 2.7%	2.6%
Discount rate for scheme liabilities	3.7% - 3.8%	3.7%

The below table, as produced by Hymans Robertson LLP (actuary) sets out the impact of a small change in the discount rates on the defined benefit obligations and projected service cost along with a plus/minus 1 year age rating adjustment to the mortality assumption.

	£	£
0.5% decrease in real discount rate	70,000	– 436,000
1 year increase in member life expectancy	16,000	– 103,000
0.5% increase in long term salary increase	31,000	– 219,000
0.5% increase in the pension increase rate	36,000	– 204,000

Local Government Pension Scheme (continued)

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

	At 31 August 2015 (years)	At 31 August 2014 (years)
Retiring today		
Males	22.5	22.5
Females	24.6	24.6
Retiring in 20 years		
Males	24.5	24.5
Females	26.9	26.9

BOURNE EDUCATION TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

31 Pension and similar obligations (continued)

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

	Expected return at 31 August 2015	Fair value at 31 August 2015	Expected return at 31 August 2014	Fair value at 31 August 2014
Equities	3.7 – 3.8%	3,819,000	6.3%	2,034,000
Bonds	3.7 – 3.8%	879,000	3.2%	449,000
Property	3.7 – 3.8%	361,000	4.5%	131,000
Cash	3.7 – 3.8%	103,000	3.3%	26,000
		<u>5,162,000</u>		<u>2,640,000</u>
Total market value of assets		<u>5,162,000</u>		<u>2,640,000</u>
Present value of scheme liabilities				
- Funded		(11,047,000)		(6,433,000)
		<u>(11,047,000)</u>		<u>(6,433,000)</u>
Deficit in the scheme – recognised on balance sheet at 31 August 2015		<u>(5,885,000)</u>		<u>(3,793,000)</u>

Amounts recognised in the statement of financial activities

	2015 £	2014 £
Current service cost (net of employee contributions)	(91,000)	(65,000)
Past service cost	-	-
	<u>(91,000)</u>	<u>(65,000)</u>
Total operating charge	<u>(91,000)</u>	<u>(65,000)</u>
Analysis of pension finance income/(costs)		
Expected return on pension scheme assets	253,000	103,000
Interest on pension liabilities	(376,000)	(184,000)
	<u>(123,000)</u>	<u>(81,000)</u>
Pension finance income/(costs) (note 8)	<u>(123,000)</u>	<u>(81,000)</u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £276,000 loss.

BOURNE EDUCATION TRUST**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015****31 Pension and similar obligations (continued)****Movements in the present value of defined benefit obligations were as follows:**

	2015	2014
	£	£
At 31 August 2014	6,433,000	1,041,000
Inherited upon conversion	3,108,000	3,634,000
Current service cost	1,016,000	449,000
Interest cost	376,000	184,000
Employee contributions	228,000	120,000
Actuarial (gain)/loss	(54,000)	1,017,000
Benefits paid	(60,000)	(12,000)
	<hr/>	<hr/>
At 31 August 2015	<u>11,047,000</u>	<u>6,433,000</u>

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

	2015	2014
	£	£
At 31 August 2014	2,640,000	448,000
Inherited upon conversion	1,292,000	1,340,000
Expected return on assets	253,000	103,000
Actuarial (loss)/ gains	(116,000)	127,000
Employer contributions	925,000	514,000
Employee contributions	228,000	120,000
Benefits paid	(60,000)	(12,000)
	<hr/>	<hr/>
At 31 August 2015	<u>5,162,000</u>	<u>2,640,000</u>

The estimated value of employer contributions for the year ending 31 August 2016 is £973,000

The actual return on plan assets was £215,000 (2014: £209,000).

BOURNE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

31 Pension and similar obligations (continued)

History of experience adjustments is as follows:	2015 £	2014 £
Present value of defined benefit obligations	(11,047,000)	(6,433,000)
Fair value of share of scheme assets	5,162,000	2,640,000
	<u> </u>	<u> </u>
Deficit in the scheme	<u>(5,885,000)</u>	<u>(3,793,000)</u>

	2015 £	2014 £	2013 £
Experience adjustments on share of scheme assets:	(115,000)	127,000	30,000
Experience adjustments on scheme liabilities:	6,000	(190,000)	-

32 Related party transactions

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

The Academy Trust is related to Electron Control Limited, a company owned and managed by Sue Tresilian's husband. During the year, Electron Control Limited provided £5,094 (2014: £15,013) of electrical and minor building works services to the Academy Trust. At the balance sheet date, the Academy Trust owed £Nil (2014: £5,044) to Electron Control Limited.

The Academy Trust is related to Paul Browning, who is Sue Tresilian's son. During the year, Paul Browning provided £Nil (2014: £1,250) of painting services to the Academy Trust.

The Academy Trust is related to Enabling Education Limited, a company owned and managed by Bob Linnell. During the year, Enabling Education Limited provided £Nil (2014: £13,390) of education and governance consultancy services to the Academy Trust.

No other related party transactions have been identified for the year ended 31 August 2015 (2014: None).

33 Post Balance Sheet Events

On 1 December 2015, Brookwood Primary School joined the Academy Trust and in doing so, transferred as a going concern, all of its educational operating activities with all related assets and liabilities.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

34 Agency Arrangements

The Academy Trust administers the disbursement of the discretionary support for learners, 16-19 Bursary Funds, on behalf of the Education Funding Agency. During the year, the Academy Trust received £8,020 (2014: £13,181) and disbursed £16,028 (2014: £9,180) with therefore at the 31 August 2015 an amount of £5,800 (2014: £13,808) repayable to the Education Funding Agency and included in other creditors.

35 Transfer of academy into trust

On 1 December 2014, Matthew Arnold School Academy Trust under the Academies Act 2010 and all the operations and assets and liabilities were transferred into the academy Trust for £Nil consideration.

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

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the statement of financial activities:

	Unrestricted Funds £	General £	Restricted Funds Fixed Asset £	Total £
Incoming Resources from generated funds				
Voluntary Income				
Tangible Fixed Assets:				
Long leasehold land and buildings	-	-	12,209,431	12,209,431
Other assets	-	-	804,658	804,658
Cash at bank and in hand	521,451	-	-	521,451
LGPS pension deficit	-	(1,816,000)	-	(1,816,000)
Current assets	-	-	-	-
Current liabilities	(76,496)	-	-	(76,496)
Net assets	444,955	(1,816,000)	13,014,089	11,643,044