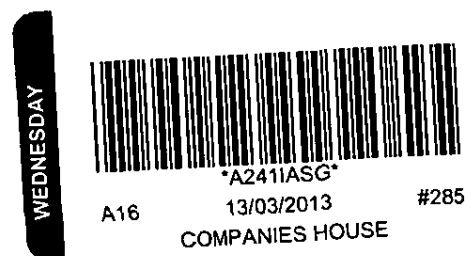


COMPANY REGISTRATION NUMBER 07867334

**The Bourton Meadow Academy
Company Limited by Guarantee
Financial Statements
31 August 2012**



The Bourton Meadow Academy Company Limited by Guarantee

Financial Statements

Period from 1 December 2011 to 31 August 2012

Contents	Page
Reference and Administrative Details	1
Governors' Annual Report	3
Governance Statement	12
Statement on Regularity, Propriety and Compliance	15
Independent Auditor's Report to the Members	16
Independent Reporting Accountant's Assurance Report on regularity to The Bourton Meadow Academy and the Education Funding Agency	18
Statement of Financial Activities (incorporating the income and expenditure account)	20
Balance sheet	21
Cash flow statement	22
Accounting policies	23
Notes to the financial statements	28

The Bourton Meadow Academy Company Limited by Guarantee

Reference and Administrative Details

Company Name	The Bourton Meadow Academy
Company Registration Number	07867334
Principal Office	Burleigh Piece Buckingham MK18 7HX
Governors	<p>Mrs A Taylor-Hopkins (Principal and Accounting Officer) * - appointed 1 December 2011 Mr P J Fealey – appointed 1 December 2011 Ms J Bunyan – appointed 1 March 2012 Mrs L Howard – appointed 1 March 2012 Ms C Conquest * – appointed 1 March 2012 Mr T I Moore – appointed 1 March 2012 Ms K A Aldersley * – appointed 1 March 2012 Ms J Robinson (Chair of Governors)* – appointed 1 March 2012 Mr C A Rose * – appointed 1 March 2012 Mr L J Harrison * – appointed 1 March 2012 Ms J E Harte * – appointed 1 March 2012 Ms L Horner – appointed 9 May 2012 Mr J J Bateman – appointed 21 May 2012 Mr A J MacGarvey – appointed 21 May 2012</p> <p>* Members of the Finance, Personnel and Pay Review Committee</p>
Senior Management Team	<p>Mrs A Taylor-Hopkins - Principal Mrs J Harman – Deputy Principal Mrs L Howard – Deputy Principal Mr R Main – Deputy Principal Mrs S Cairns – SEN Manager</p>

The Bourton Meadow Academy Company Limited by Guarantee

Reference and Administrative Details *(continued)*

Auditor

MHA MacIntyre Hudson
Chartered Accountants
& Statutory Auditor
Peterbridge House
The Lakes
Northampton
NN4 7HB

Bankers

Lloyds TSB Bank plc
Lloyds Court
28 Secklow Gate West
Milton Keynes
Buckinghamshire
MK9 3EH

Solicitors

Devonshires Solicitors
30 Finsbury Circus
London
EC2M 7DT

The Bourton Meadow Academy Company Limited by Guarantee

Governors' Annual Report

Period from 1 December 2011 to 31 August 2012

The Governors, who are also Directors for the purposes of company law, present their report and the financial statements of the charitable company for the period from 1 December 2011 to 31 August 2012

Reference and administrative details

Reference and administrative details are shown in the schedule of reference and administrative details on pages 1 to 2 of the financial statements

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The company was incorporated on 1 December 2011. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Governors act as the Trustees for the charitable activities of The Bourton Meadow Academy and are also the Directors of the charitable company for the purposes of company law. The charitable company is known as The Bourton Meadow Academy.

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

Members' Liability

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

Governors' Indemnities

The Academy has purchased insurance to cover Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. Details of the costs can be found in note 13 to the accounts.

Principal Activities

Bourton Meadow School converted to Academy status on 1 March 2012 at which point the entity's operations commenced. The Academy Trust's principal activities are to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

The Bourton Meadow Academy Company Limited by Guarantee

Governors' Annual Report

Period from 1 December 2011 to 31 August 2012

Method of Recruitment and Appointment or Election of Governors

The Board of Trustees is responsible for appointing Governors except for parent Governors and staff Governors who are elected by a secret ballot. The term of office for any Governor shall be 4 years, save that this time limit shall not apply to the Principal. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected.

Policies and Procedures Adopted for the Induction and Training of Governors

The training and induction provided for new Governors will depend on their existing experience. An induction programme is available and will provide training on charity and educational legal and financial matters. All new Governors will be given a tour of the Academy and the chance to meet with staff and pupils. All Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. As there are normally only two or three new Governors a year, induction tends to be done informally and is tailored specifically to the individual.

Organisational Structure

During the period a unified management structure was introduced to help improve the way the Academy is run. The structure now consists of two levels: the Governors and The Senior Management Team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of budgets and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

The Senior Managers are the Principal, three Deputy Principals and a SEN Manager. These managers control the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them. As a group the Senior Managers are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for posts in the Management Team always contain a Governor. Some spending control is devolved to members of the Management Team, with limits above which a Senior Manager must countersign.

Risk Management

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The Governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Governance statement.

The Bourton Meadow Academy Company Limited by Guarantee

Governors' Annual Report

Period from 1 December 2011 to 31 August 2012

Connected Organisations, including Related Party Relationships

The Academy is partnered with Denbigh Teaching School Alliance for teacher training and PEP mk

Objectives and activities

Objects and Aims

The principal object and activity of the charitable company is the operation of The Bourton Meadow Academy to provide an outstanding education for pupils of different abilities between the ages of 3 and 11 with an emphasis on an exciting, broad, balanced and creative curriculum

Objectives, Strategies and Activities

The Bourton Meadow Academy is a school we can be proud of. The school is a vibrant, positive place to be. Our children become responsible citizens. They enjoy coming to school and are motivated by their successes. They are secure in the knowledge that this school welcomes their whole family and works with them as a team, with the welfare and education of each child being our focus.

Pupils throughout the school enjoy a more "Creative Curriculum" and rise to the challenge of enquiry based learning. Monitoring systems are well organised to provide evidence of the impact that these developments have on children's learning. Staff, Principal and Governors have a positive, open minded approach to sharing good practice with other schools. Links with schools in the cluster and beyond have led to rapid review and development. The school community as a whole is working coherently together with a clear understanding of the school's agreed vision statement and aims. Development and improvement is continuous and constantly strived for.

Almost two years ago Ofsted inspectors judged our school to be "Outstanding" and we must now aim higher, therefore providing our pupils with the very best primary education we can.

With this goal in mind the School Improvement and Development Plan for 2012/13 has been written under Ofsted inspection headings.

The Bourton Meadow Academy Company Limited by Guarantee

Governors' Annual Report

Period from 1 December 2011 to 31 August 2012

The main objectives of the Academy during the period ended 31 August 2012 are summarised below

- The Ofsted Evaluation Schedule for Schools published in January 2012
- The "Every Child Matters Outcomes and Framework "
- Views of staff, governors, parents and pupils
- Analysed data of key stage 1 and 2 SAT results
- Shared best practice from other schools
- Planning the use of the school's resources to maximise educational outcomes (Discussion with school's partners)
- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care
- To raise the standard of educational achievement of all pupils
- To improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review
- To provide value for money for the funds expended
- To comply with all appropriate statutory and curriculum requirements
- To maintain close links with industry and commerce, and
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness

The Academy's main strategy is encompassed in its mission statement which is '*To provide outstanding outcomes and lifelong learning skills for all via Bourton Meadow Academy*'

To this end the activities provided include

- To deliver outstanding teaching and learning
- To lead by example in supporting and enriching the community
- To provide outstanding teacher training and consultancy for the wider educational community
- To provide and support CPD amongst staff to enhance performance
- To provide excellence in the wrap around care facilities
- To produce outstanding pupil value added
- To provide enhanced facilities

Public Benefit

The Academy Trust promotes education for the benefit of the local community of Buckingham and offers recreational facilities to a variety of local community groups outside of school hours for the benefit of the general public. Community based projects are also undertaken throughout the year by staff and pupils which further enhances the public benefit

The Bourton Meadow Academy Company Limited by Guarantee

Governors' Annual Report

Period from 1 December 2011 to 31 August 2012

Achievements and performance

The Academy is in its first period of operation and continues to achieve the forecast numbers of pupils. Total pupils in the period ended 31 August 2012 number 563 and the Academy has a full complement in nearly all year groups. The Academy also operates a Nursery taking rising 3's up to school age. This provision had 95 children on roll as at 31 August 2012.

Examination results for 2012 were very pleasing. At foundation stage 82% of pupils have attained 6 or more points in all assessment scales (Academy average at 7.45 (National 6.7)) and 92% have achieved 78 points or more (National figure for 2009 was 75%). Key Stage 1 Children achieving Level 2 and above exceeded target set in Reading, Writing and Maths. 100% of children achieved Level 2 in Maths. Key Stage 2 Children performed significantly above national average with 98% achieving Level 4+ in English and 87% achieving Level 4 or above in English & Maths combined. 40% of children achieved a L5 in both English and Maths (National 27%). Academy performance is classed as 'significantly better' than national picture (RAISE online page 49 & 50) in both English and Maths.

Going Concern

After making appropriate enquiries, the Governing Body has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Key Financial Performance Indicators

The Academy Trust uses a number of financial key performance indicators to monitor financial success of the Academy Trust and progress/improvement against the targets set.

Staffing costs are monitored as a percentage of total income. For the period ended 31 August 2012 staffing costs amounted to 68% of total non capital income.

The Academy Trust also monitors its operating surplus or deficit as a percentage of total income. For the period ended 31 August 2012 the operating surplus equated to 9.0% of total income (excluding LGPS transferred and restricted fixed asset funds).

The Academy Trust also uses a number of non-financial key performance indicators to monitor its performance. These include:

- KS1 level 2 and 3 achievements exceed regional and national percentages
- KS2 level 4 & 5 achievements exceed regional and national percentages
- Pupil attendance rates – for the year ended 31 August 2012 pupil attendance was 96%

The Bourton Meadow Academy Company Limited by Guarantee

Governors' Annual Report

Period from 1 December 2011 to 31 August 2012

Financial review

Most of the Academy's income (83%) is obtained from the DfE in the form of recurrent grants disbursed via the Education Funding Agency (EFA), the use of which is restricted to particular purposes. A significant amount (10%) is generated from extended schools which include breakfast, after-school, Nursery, trips and school meals. Grants received from the DfE during the period ended 31 August 2012 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the period ended 31 August 2012, total expenditure of £1,306,305, excluding depreciation and transfers on conversion, was more than covered by recurrent grant funding from the DfE together with other incoming resources. The excess of income over expenditure for the period (excluding restricted fixed asset funds and LGPS on conversion) was £130,019.

At 31 August 2012 the net book value of fixed assets was £3,929,043 and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

There were no large or unusual transactions in this period. There were a number of minor capital projects that were undertaken to support the schools overall objectives, such as:

- Installation of Foundation Stage toilet blocks
- Relocation of Library and installation of new Music room to enable accommodation of additional classroom to allow for 3 form entry across the school
- Reconstruction of terrace to allow access to the school field
- Expansion of Nursery area to accommodate admission from rising 3 year olds to further enhance our early year's provision
- Construction of new playground equipment (funded by PTA)
- Investment in curriculum resources to enhance support early reading and writing to include training and development in new phonics programme across the Academy
- Investment in upgrading IT across the Academy to include new smartboards and laptops

It is noted that the pension deficit is £391,000 as per the Financial Reporting Standard 17 valuation statement as at 31 August 2012.

The Academy has recognised its share of the Local Government Pension Scheme (LGPS) assets and liabilities in accordance with Financial Reporting Standard 17. A deficit has been recognised at 31 August 2012. Future contribution rates are adjusted so as to reduce this deficit.

Financial and Risk Management Objectives and Policies

The Academy's risk management procedures are outlined above. The Trustees believe that its risk management procedures mitigate as far as reasonably possible the principal risks and uncertainties facing the Academy Trust.

The Bourton Meadow Academy Company Limited by Guarantee

Governors' Annual Report

Period from 1 December 2011 to 31 August 2012

The Academy Trust does not have significant trade debtors as invoiced income is a minor ancillary activity. Good credit control is practised including, where possible, invoicing in advance e.g. Nursery (where systems allow).

Cash flow is monitored daily by the Academy Trust and budgets presented to the Governing Body consider cash flow and liquidity in detail. The Academy is in the process of building up cash reserves which enable it to plan for future capital projects.

Principal Risks and Uncertainties

Through the Academy's risk management procedures, it has considered its principal risks and uncertainties and planned mitigating action wherever possible. The principal risks and uncertainties identified by the Governing Body are:

- Change in Government funding regime – the Academy receives 83% of its income from Government agencies
- Reduction in pupil numbers either through competition or a damaged reputation/falling standards – the Academy prides itself on the OFSTED grading from its 2010 inspection as a School which rated it as Outstanding, and recognises the importance of maintaining these standards

Key controls that the Academy has in place to mitigate these risks include:

- Attendance at Government funding agency conferences and participation in focus groups to keep up to date with and influence as far as possible Academy funding methodology
- Appropriate organisational structure with several tiers of review
- Internal quality assurance reviews and self-assessments

Reserves Policy

The Governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £27,046. The Academy intends to continue building up free reserves to the level needed.

Financial Position

The Academy held fund balances at 31 August 2012 of £3,618,131 comprising £42,770 of restricted funds, £3,939,315 of restricted fixed asset funds, £27,046 of unrestricted general funds and a pension reserve deficit of £391,000.

Investment Policy

Due to the infancy of the Academy, the Governing Body are currently reviewing the investment policy. In the meantime, surplus cash funds are held in a deposit account in a high street bank.

The Bourton Meadow Academy Company Limited by Guarantee

Governors' Annual Report

Period from 1 December 2011 to 31 August 2012

Plans for future periods

The Academy will continue striving to improve the levels of performance of its pupils at all levels and will continue its efforts to ensure its pupils leave primary school having reached their maximum potential

The Academy aims in the future to provide school improvement services to other schools and will continue to resource accordingly. We also aim to establish ways to benefit the wider community (from links with mainly local secondary and primary schools) and direct access to the Academy's technology facilities, curricular materials and the expertise of Academy staff

Funds Held as Custodian trustee on Behalf of Others

The Academy holds no funds as custodian trustee on behalf of others

Responsibilities of the Governors

The Governors (who act as Trustees for the charitable activities of The Bourton Meadow Academy and are also the Directors of The Bourton Meadow Academy for the purposes of company law) are responsible for preparing the Governors' Annual Report and the financial statements in accordance with applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Annual Accounts Direction 2011/12 issued by the Education Funding Agency

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

select suitable accounting policies and then apply them consistently,

observe the methods and principles in the Charities SORP,

make 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,

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

The Bourton Meadow Academy Company Limited by Guarantee

Governors' Annual Report

Period from 1 December 2011 to 31 August 2012

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

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

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

In so far as the Governors are aware

there is no relevant audit information of which the charitable company's auditor is unaware, and

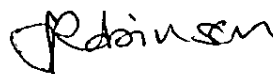
the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

MHA MacIntyre Hudson are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Registered office
Burleigh Piece
Buckingham
MK18 7HX

Signed on behalf of the Governors



Ms J Robinson
Chair of Governors

17/12/12

The Bourton Meadow Academy Company Limited by Guarantee

Governance Statement

Period from 1 December 2011 to 31 August 2012

Scope of Responsibility

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

The Governing Body has delegated the day-to-day responsibility to the 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 The Bourton Meadow Academy and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Governing Body has formally met 4 times during the period. Attendance during the period at meetings of the Governing Body was as follows:

Governor	Meetings attended	Out of a possible
Mrs J Robinson (Chair of Governors)	4	4
Mr P J Fealey (Chair of Premises)	4	4
Mr L J Harrison (Chair of Finance & Personnel)	4	4
Mrs A Taylor-Hopkins (Principal and Accounting Officer)	4	4
Mrs M Little (Company Secretary)	4	4
Mrs K Herring	4	4
Mrs K A Aldersley	2	4
Ms L Horner	2	4
Ms J Bunyan	3	4
Mrs L Howard	2	4
Mr C A Rose	4	4
Mrs J E Harte	1	1
Mr J J Bateman	3	4
Ms C Conquest	3	4
Mr A J MacGarvey	0	1
Mr T I Moore	4	4

The Bourton Meadow Academy Company Limited by Guarantee

Governance Statement *(continued)*

Period from 1 December 2011 to 31 August 2012

The Finance and Personnel Committee is a sub-committee of the main Governing Body. Its purpose is to monitor the financial position of the Academy and support staffing plans. This financial period has concentrated on establishing robust financial reporting and procedure for the Academy since conversion. Attendance at meetings in the period was as follows:

Governor	Meetings attended	Out of a possible
Mr L J Harrison (Chair of Finance & Personnel)	4	4
Mrs A Taylor-Hopkins (Principal and Accounting Officer)	4	4
Mrs K A Aldersley	2	4
Ms C Conquest	3	4
Ms J E Harte	2	4
Ms J Robinson	4	4
Mr C A Rose	4	4

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Bourton Meadow Academy for the period ended 31 August 2012 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

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

The Bourton Meadow Academy Company Limited by Guarantee

Governance Statement *(continued)*

Period from 1 December 2011 to 31 August 2012

The Risk and Control Framework

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

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

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed MHA MacIntyre Hudson to support the Responsible Officer ('RO') role by undertaking testing on a termly basis. The RO's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a termly basis, the RO reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

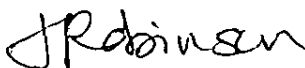
Review of Effectiveness

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

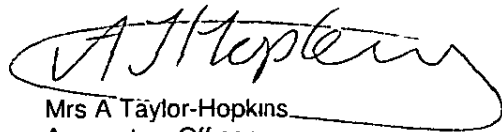
- the work of the Responsible Officer,
- the work of the external auditor,
- the financial management and governance self assessment process,
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the Governing Body on 11/12/12 and signed on its behalf by



Ms J Robinson
Chair of Governors



Mrs A Taylor-Hopkins
Accounting Officer

The Bourton Meadow Academy Company Limited by Guarantee

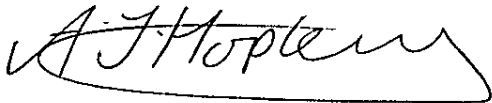
Statement on Regularity, Propriety and Compliance

Period from 1 December 2011 to 31 August 2012

As Accounting Officer of The Bourton Meadow Academy I have considered my responsibility to notify the Academy Trust's Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State. As 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's Governing Body are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date.



Mrs A Taylor-Hopkins
Accounting Officer

The Bourton Meadow Academy Company Limited by Guarantee

Independent Auditor's Report to the Members of The Bourton Meadow Academy

Period from 1 December 2011 to 31 August 2012

We have audited the financial statements of The Bourton Meadow Academy for the period from 1 December 2011 to 31 August 2012 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement, Accounting Policies 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 2011/12 issued by the Education Funding Agency.

This report is made solely to the academy'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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy and the academy's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of governors and auditors

As explained more fully in the Responsibilities of the Governors (set out on pages 10 to 11), the Governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Academy's affairs as at 31 August 2012 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Annual Accounts Direction 2011/12 issued by the Education Funding Agency.

The Bourton Meadow Academy Company Limited by Guarantee

Independent Auditor's Report to the Members of The Bourton Meadow Academy (continued)

Period from 1 December 2011 to 31 August 2012

Opinion on other matter prescribed by the Companies Act 2006

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

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



ELAINE OLSON-WILLIAMS FCCA
(Senior Statutory Auditor)
For and on behalf of
MHA MACINTYRE HUDSON
Chartered Accountants
& Statutory Auditor

Peterbridge House
The Lakes
Northampton
NN4 7HB



The Bourton Meadow Academy Company Limited by Guarantee

Independent Reporting Accountant's Assurance Report on Regularity to The Bourton Meadow Academy and the Education Funding Agency

Period from 1 December 2011 to 31 August 2012

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

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

Respective responsibilities of The Bourton Meadow Academy's Accounting Officer and the Reporting Accountant

The Accounting Officer is responsible, under the requirements of The Bourton Meadow Academy's funding agreement with the Secretary of State for Education dated 8 February 2012 and the Academies Financial Handbook as published by the DfES in 2006, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2011/12. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 December 2011 to 31 August 2012 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2011/12 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter

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

The Bourton Meadow Academy Company Limited by Guarantee

Independent Reporting Accountant's Assurance Report on Regularity to The Bourton Meadow Academy and the Education Funding Agency

Period from 1 December 2011 to 31 August 2012

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.

Conclusion

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



MHA MacIntyre Hudson
Chartered Accountants
Peterbridge House
The Lakes
Northampton
NN4 7HB



The accounting policies and notes on pages 23 to 42 form part of these financial statements.

The Bourton Meadow Academy Company Limited by Guarantee

Statement of Financial Activities (Incorporating the Income and Expenditure Account)

Period from 1 December 2011 to 31 August 2012

	Note	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total Funds Period from 1 Dec 11 to 31 Aug 12 £
Incoming resources					
Incoming resources from generating funds					
Voluntary income	2	14,996	20,958	–	35,954
Other voluntary income – transfer from Local Authority on conversion	2	–	47,187	3,910,754	3,957,941
Activities for generating funds	3	111,870	36,146	–	148,016
Investment income	4	122	–	–	122
Charitable activities					
Funding for Academy's educational operations	5	–	1,205,045	10,272	1,215,317
Total incoming resources		126,988	1,309,336	3,921,026	5,357,350
Resources expended					
Costs of generating funds					
Costs of generating voluntary income		(11,797)	(7,758)	–	(19,555)
Other resources expended – transfer from Local Authority on conversion		–	(349,000)	–	(349,000)
Fundraising trading cost of goods sold and other costs	6	(88,145)	(33,329)	–	(121,474)
Charitable activities					
Academy's educational operations	8	–	(1,093,514)	(53,914)	(1,147,428)
Other resources expended – transfer from Local Authority on conversion	8	–	(37,308)	–	(37,308)
Governance costs	9	–	(34,454)	–	(34,454)
Total resources expended		(99,942)	(1,555,363)	(53,914)	(1,709,219)
Net incoming resources before transfers	10	27,046	(246,027)	3,867,112	3,648,131
Transfer between funds		–	(72,203)	72,203	–
Net income/(deficit) for the period		27,046	(318,230)	3,939,315	3,648,131
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes		–	(30,000)	–	(30,000)
Net movement in funds		27,046	(348,230)	3,939,315	3,618,131
Reconciliation of funds					
Total funds brought forward		–	–	–	–
Total funds carried forward		27,046	(348,230)	3,939,315	3,618,131

The Statement of Financial Activities includes all gains and losses in the period and therefore a statement of total recognised gains and losses has not been prepared

All of the Academy Trust's activities derive from acquisitions in the current financial period

The accounting policies and notes on pages 23 to 42 form part of these financial statements

The Bourton Meadow Academy Company Limited by Guarantee

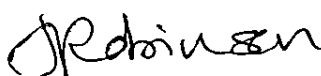
Company Registration Number 07867334

Balance Sheet

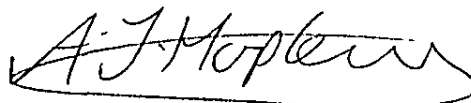
31 August 2012

	Note	£	31 Aug 12 £
Fixed assets			
Tangible assets	14		3,929,043
Current assets			
Debtors	15	80,218	
Cash at bank and in hand		167,587	
		247,805	
Creditors amounts falling due within one year	16	(167,717)	
Net current assets			80,088
Total assets less current liabilities			4,009,131
Net assets excluding pension liability			4,009,131
Defined benefit pension scheme liability	17		(391,000)
Net assets including pension liability			<u>£3,618,131</u>
Funds	18		
Restricted funds:			
Restricted fixed asset funds		3,939,315	
General funds		42,770	
Pension reserve	17	(391,000)	
Total restricted income funds			3,591,085
Unrestricted income funds			27,046
Total funds			<u>£3,618,131</u>

These financial statements were approved by the members of the committee on the 17/12/12 and are signed on their behalf by



Ms J Robinson
Chair of Governors



Mrs A Taylor-Hopkins
Principal and Accounting Officer

The accounting policies and notes on pages 23 to 42 form part of these financial statements

The Bourton Meadow Academy Company Limited by Guarantee

Cash Flow Statement

Period from 1 December 2011 to 31 August 2012

	Note	Period from 1 Dec 11 to 31 Aug 12 £	£
Net cash inflow from operating activities	24		192,481
Cash transferred on conversion to an Academy Trust			47,187
Returns on investments and servicing of finance	25		
Interest received		<u>122</u>	
Net cash inflow from returns on investments and servicing of finance			122
Capital expenditure	26		(72,203)
Decrease in cash			<u>£167,587</u>
Analysis of changes in net funds			
	1 Dec 11 £	Cash flows £	31 Aug 12 £
Cash in hand and at bank	<u>—</u>	<u>167,587</u>	<u>167,587</u>

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

The accounting policies and notes on pages 23 to 42 form part of these financial statements

The Bourton Meadow Academy Company Limited by Guarantee

Accounting Policies

Period from 1 December 2011 to 31 August 2012

Basis of accounting

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

Incoming resources

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

Grants receivable

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

Donations

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

Other income

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

Donated services and gifts in kind

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

The Bourton Meadow Academy Company Limited by Guarantee

Accounting Policies *(continued)*

Period from 1 December 2011 to 31 August 2012

Resources expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

All resources expended are inclusive of irrecoverable VAT.

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 Academy Trust's educational operations.

Governance costs

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

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by Education Funding Agency where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency.

The Bourton Meadow Academy Company Limited by Guarantee

Accounting Policies *(continued)*

Period from 1 December 2011 to 31 August 2012

Fixed assets

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet.

Depreciation on fixed assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment	-	20% straight line
Computer equipment	-	33.3% straight line
Freehold property	-	2% straight line
Plant & machinery	-	6.66% straight line

Operating lease agreements

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

The Bourton Meadow Academy Company Limited by Guarantee

Accounting Policies *(continued)*

Period from 1 December 2011 to 31 August 2012

Pension costs

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the Academy Trust.

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

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

Going concern

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

Taxation

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

The Bourton Meadow Academy Company Limited by Guarantee

Accounting Policies *(continued)*

Period from 1 December 2011 to 31 August 2012

Conversion to Academy Trust

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

The assets and liabilities transferred on conversion from The Bourton Meadow School to the Academy Trust have been valued at their fair value being a reasonable estimate of the current market value that the Governors would expect to pay in an open market for an equivalent item. Land and buildings have been valued at depreciated replacement cost. Their estimated depreciated replacement cost is in accordance with the accounting policies set out for The Bourton Meadow Academy. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income as net income in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

The Bourton Meadow Academy Company Limited by Guarantee

Notes to the Financial Statements

Period from 1 December 2011 to 31 August 2012

1. General annual grant (GAG)

a Results and Carry Forward for the Period

	2012 £
GAG allocation for current period	1,022,734
Recurrent expenditure from GAG	(950,531)
Fixed assets purchased from GAG	(72,203)
GAG carried forward to next year	—
Maximum permitted GAG carry forward at end of current period (12% of allocation for current period)	(122,728)
GAG to surrender to DfE (12% rule breached if result is positive)	(122,728)
	no breach

2 Voluntary income

	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Funds £	Total Funds 2012 £
Donations				
Donations	14,996	20,958	—	35,954
Other income				
Transfer from Local Authority on conversion	—	47,187	3,910,754	3,957,941
	<u>14,996</u>	<u>68,145</u>	<u>3,910,754</u>	<u>3,993,895</u>

3 Incoming resources from activities for generating funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2012 £
Rental income	4,399	—	4,399
School meal income	—	33,263	33,263
School funds	107,471	—	107,471
Other income	—	2,883	2,883
	<u>111,870</u>	<u>36,146</u>	<u>148,016</u>

4. Investment income

	Unrestricted Funds £	Total Funds 2012 £
Bank interest receivable	<u>122</u>	<u>122</u>

The Bourton Meadow Academy Company Limited by Guarantee

Notes to the Financial Statements

Period from 1 December 2011 to 31 August 2012

5. Funding for academy's educational operations

	Restricted Funds £	Restricted Fixed Asset Funds £	Total Funds 2012 £
EFA revenue grants			
General Annual Grant (GAG) (note 1)	1,022,734	–	1,022,734
Other DfE/EPA grants	164,755	–	164,755
Devolved formula capital	–	10,272	10,272
Local authority	17,556	–	17,556
	<u>1,205,045</u>	<u>10,272</u>	<u>1,215,317</u>

6 Fundraising trading: Cost of goods sold and other costs

	Unrestricted Funds £	Restricted Funds £	Total Funds 2012 £
School meals	–	33,263	33,263
Teacher recharges	–	66	66
School fund	88,145	–	88,145
	<u>88,145</u>	<u>33,329</u>	<u>121,474</u>

The Bourton Meadow Academy Company Limited by Guarantee

Notes to the Financial Statements

Period from 1 December 2011 to 31 August 2012

7 Resources expended

	Staff costs £	Non-Pay Premises £	Expenditure Other costs £	Total Funds 2012 £
Costs of generating voluntary income:				
Pension deficit transferred from Local Authority	—	—	349,000	349,000
Unrestricted donations	—	—	11,797	11,797
Restricted donations	—	—	7,758	7,758
	—	—	368,555	368,555
Costs of activities for generating funds.				
School meals	9,448	—	23,815	33,263
Teacher recharges	—	—	66	66
School fund	86,243	—	1,902	88,145
	95,691	—	25,783	121,474
Charitable activities				
Direct costs	596,808	—	100,517	697,325
Support Costs	291,881	67,612	127,918	487,411
	888,689	67,612	228,435	1,184,736
Governance costs including allocated support costs	—	—	34,454	34,454
	<u>984,380</u>	<u>67,612</u>	<u>657,227</u>	<u>1,709,219</u>

The Bourton Meadow Academy Company Limited by Guarantee

Notes to the Financial Statements

Period from 1 December 2011 to 31 August 2012

8. Academy's educational operations

	Restricted Funds £	Restricted Fixed Asset Funds £	Total Funds 2012 £
<i>Direct costs</i>			
Teaching & educational support staff	596,808	—	596,808
Course & conference fees	6,225	—	6,225
Educational supplies	21,255	—	21,255
Staff development	70,188	—	70,188
Other direct costs	2,849	—	2,849
	<u>697,325</u>	<u>—</u>	<u>697,325</u>
<i>Allocated support costs</i>			
Support staff costs	291,881	—	291,881
Depreciation	—	53,914	53,914
Maintenance of premises & equipment	46,292	—	46,292
Light & heat	10,254	—	10,254
Cleaning	3,038	—	3,038
Rent & rates	3,770	—	3,770
Insurance	8,604	—	8,604
Security & transport	2,002	—	2,002
Catering	65	—	65
Bank charges	276	—	276
Other occupation costs	6,212	—	6,212
Legal & professional services	5,715	—	5,715
Transfer from Local Authority on conversion	37,308	—	37,308
Other support costs	18,080	—	18,080
	<u>433,497</u>	<u>53,914</u>	<u>487,411</u>
	<u>1,130,822</u>	<u>53,914</u>	<u>1,184,736</u>

9 Governance costs

	Restricted Funds £	Total Funds 2012 £
Audit and accountancy fees	11,402	11,402
Legal fees	23,052	23,052
	<u>34,454</u>	<u>34,454</u>

The Bourton Meadow Academy Company Limited by Guarantee

Notes to the Financial Statements

Period from 1 December 2011 to 31 August 2012

10. Net incoming/(outgoing) resources for the period

This is stated after charging

	2012 £
Staff pension contributions	113,926
Fees payable to auditor	
- Audit of the financial statements	5,750
- Other services	5,652
Depreciation	53,914

11. Staff costs and emoluments

	2012 £
Wages and salaries	822,969
Social security costs	47,485
Other pension costs	113,926
	<u>£984,380</u>

Aggregate Trustees' remuneration for the period ended 31 August 2012 was £43,436

Particulars of employees:

The average number of employees during the period, based on full time equivalents,

	2012
Teachers	29
Administration and support	35
Management	4
	<u>68</u>

The number of employees whose annualised remuneration for the period fell within the following bands, were

	2012
£70,001 to £80,000	1
	<u>1</u>

The above employee participated in the Teachers' Pension Scheme During the period ended 31 August 2012, pension contributions for this employee amounted to £5,005

The Bourton Meadow Academy Company Limited by Guarantee

Notes to the Financial Statements

Period from 1 December 2011 to 31 August 2012

12. Governors' remuneration and expenses

Principal and staff Governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in their services as Governors. Other governors did not receive any payments from the Academy in respect of their role as Governors. The value of the Principal's remuneration in the period to 31 August 2012 was as follows

	2012 £
Mrs A Taylor-Hopkins, Principal	£40,501

No expenses were paid to Governors for the period to 31 August 2012

13. Governors' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the period ended 31 August 2012 was included in the Academy's core insurance premium totalling £15,020

14. Tangible fixed assets

	Plant and machinery £	Equipment £	Computer equipment £	Freehold Property £	Total £
Cost					
Additions	16,342	12,413	9,132	34,316	72,203
Transfers on conversion	7,250	7,654	29,850	3,866,000	3,910,754
At 31 August 2012	<u>£23,592</u>	<u>£20,067</u>	<u>£38,982</u>	<u>£3,900,316</u>	<u>£3,982,957</u>
Depreciation					
Charge for the period	2,094	2,153	8,985	40,682	53,914
At 31 August 2012	<u>£2,094</u>	<u>£2,153</u>	<u>£8,985</u>	<u>£40,682</u>	<u>£53,914</u>
Net book value					
At 31 August 2012	<u>21,498</u>	<u>17,914</u>	<u>29,997</u>	<u>3,859,634</u>	<u>3,929,043</u>

The Bourton Meadow Academy Company Limited by Guarantee

Notes to the Financial Statements

Period from 1 December 2011 to 31 August 2012

15. Debtors

	31 Aug 12 £
Trade debtors	500
Other debtors	25,131
Prepayments and accrued income	54,587
	<u>£80,218</u>

16 Creditors: Amounts falling due within one year

	31 Aug 12 £
Taxation and social security	31,584
Local Authority loans	36,098
Accruals and deferred income	100,035
	<u>£167,717</u>

Deferred income

	2012 £
Resources deferred in the period	27,943
Deferred income at 31 August 2012	<u>27,943</u>

Deferred income relates to income received in advance for trips, school meals and music tuition and an insurance rebate received in advance

The Bourton Meadow Academy Company Limited by Guarantee

Notes to the Financial Statements

Period from 1 December 2011 to 31 August 2012

17. Pensions 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. Both are defined-benefit schemes.

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

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

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

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme ("TPS") is a statutory, contributory, defined benefit scheme. The regulations under which the TPS operates are the Teachers' Pensions Regulations 2010. These regulations apply to teachers in schools and other educational establishments in England and Wales maintained by local authorities, to teachers in many independent and voluntary-aided schools, and to teachers and lecturers in establishments of further and higher education. Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' Pension Budgeting and Valuation Account

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

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the Account has been credited with a real rate of return (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

The Bourton Meadow Academy Company Limited by Guarantee

Notes to the Financial Statements

Period from 1 December 2011 to 31 August 2012

17. Pensions and similar obligations *(continued)*

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary ("GA"), using normal actuarial principles, conducts a formal actuarial review of the TPS. The aim of the review is to specify the level of future contributions.

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

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

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

Scheme Changes

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

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multiemployer 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 to were a defined contribution scheme. The Academy has set out above the information available on the scheme and the implications for the Academy in terms of the anticipated contribution rates.

The Bourton Meadow Academy Company Limited by Guarantee

Notes to the Financial Statements

Period from 1 December 2011 to 31 August 2012

17. Pensions 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 period ended 31 August 2012 was £51,000, of which employer's contributions totalled £40,000 and employees' contributions totalled £11,000.

Principal actuarial assumptions

	At 31 Aug 2012
	%
Discount rate	3.9
Expected return on scheme assets	5.3
Rate of increase in salaries	4.1
Rate of increase in pensions payment	1.9

The current mortality assumptions include sufficient allowance for future improvements in mortality rates.

The assumed life expectations on retirement age 65 are

	At 31 August 2012
Retiring today	
Males	20.0
Females	24.0
Retiring in 20 years	
Males	22.0
Females	25.9

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

	Expected return at 31 Aug 2012	Fair value at 31 Aug 2012
	%	£
Equities	5.8	100,000
Bonds	3.4	27,000
Property	5.3	13,000
Cash	0.5	3,000
Alternative Assets	5.8	14,000
Total market value of assets		157,000
Present value of scheme liabilities - funded		(548,000)
Deficit in the scheme		(391,000)

The expected rate of return is based on the long-term future expected investment return for each asset class at the beginning of the period.

The Bourton Meadow Academy Company Limited by Guarantee

Notes to the Financial Statements

Period from 1 December 2011 to 31 August 2012

17 Pensions and similar obligations *(continued)*

Amounts recognised in the Statement of Financial Activities

	2012 £
Current service cost (net of employee contributions)	45,000
Total operating charge	45,000

Analysis of pension finance costs

	2012 £
Expected return on pension scheme assets	4,000
Interest on pension liabilities	(11,000)
Pension finance costs	(7,000)

The actuarial losses for the current period are recognised in the Statement of Financial Activities. The cumulative amount of actuarial loss recognised in the Statement of Financial Activities since the adoption of Financial Reporting Standard 17 is £30,000.

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

	2012 £
On conversion	449,000
Current service cost	45,000
Interest on pension liabilities	11,000
Employee contributions	11,000
Actuarial loss	32,000
At 31 August 2012	548,000

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

	2012 £
On conversion	100,000
Expected return on pension scheme assets	4,000
Actuarial gain	2,000
Employer contributions	40,000
Employee contributions	11,000
At 31 August 2012	157,000

The Bourton Meadow Academy Company Limited by Guarantee

Notes to the Financial Statements

Period from 1 December 2011 to 31 August 2012

17. Pensions and similar obligations *(continued)* Reconciliation of opening and closing deficit:

	2012 £
Pension scheme liability transferred	(349,000)
Current service cost (net of employee contributions)	(45,000)
Employer contributions	40,000
Other finance cost	(7,000)
Actuarial loss	(30,000)
Deficit at 31 August 2012	(391,000)

The history of experience adjustments is as follows:

	2012 £
Present value of defined benefit obligations	(548,000)
Fair value of share of scheme assets	157,000
Deficit in the scheme	(391,000)
Experience adjustments on share of scheme assets	£2,000
Experience adjustments on scheme liabilities	£32,000

Sensitivity analysis

	£000's	£000's	£000's
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	530	548	567
Projected service cost	92	96	100
Adjustment to mortality age rating assumption	+1 year	None	-1 year
Present value of total obligation	528	548	569
Projected service cost	92	96	100

The expected employer contributions for the year ended 31 August 2013 are £88,000

The Bourton Meadow Academy Company Limited by Guarantee

Notes to the Financial Statements

Period from 1 December 2011 to 31 August 2012

18. Funds

	Incoming resources £	Resources expended £	Gains and losses £	Transfer £	Balance at 31 Aug 2012 £
Restricted general funds					
General annual grant (GAG)	1,022,734	(950,531)	-	(72,203)	-
Other DfE/YPLA grants	185,194	(155,653)	-	-	29,541
Defined benefit pension scheme	-	(361,000)	(30,000)	-	(391,000)
Donations	20,958	(7,756)	-	-	13,202
School meals	33,263	(33,263)	-	-	-
Transfer from Local Authority	47,187	(47,160)	-	-	27
	<u>1,309,336</u>	<u>(1,555,363)</u>	<u>(30,000)</u>	<u>(72,203)</u>	<u>(348,230)</u>
Restricted fixed asset funds					
DfE/YPLA capital grant	10,272	-	-	-	10,272
Capital expenditure from GAG	-	(2,316)	-	72,203	69,887
Capital income transferred from Local Authority	3,910,754	(51,598)	-	-	3,859,156
	<u>3,921,026</u>	<u>(53,914)</u>	<u>-</u>	<u>72,203</u>	<u>3,939,315</u>
Total restricted funds	<u>5,230,362</u>	<u>(1,609,277)</u>	<u>(30,000)</u>	<u>-</u>	<u>3,591,085</u>
Unrestricted funds					
General unrestricted funds	126,988	(99,942)	-	-	27,046
Total unrestricted funds	<u>126,988</u>	<u>(99,942)</u>	<u>-</u>	<u>-</u>	<u>27,046</u>
Total funds	<u>5,357,350</u>	<u>(1,709,219)</u>	<u>(30,000)</u>	<u>-</u>	<u>3,618,131</u>

The transfer between the restricted General Annual Grant fund and restricted fixed asset funds represents amounts capitalised during the period

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

Restricted general funds will be used for educational purposes in line with the Academy's objects and its funding agreement with the Educational Funding Agency

Restricted fixed assets funds will be reserved against future depreciation charges, and the remainder relates to unspent capital grants which will be utilised to enhance the Academy's facilities

The Bourton Meadow Academy Company Limited by Guarantee

Notes to the Financial Statements

Period from 1 December 2011 to 31 August 2012

19. Analysis of net assets between funds

Fund balances at 31 August 2012 are represented by

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset fund £	Total £
Tangible fixed assets	-	-	3,929,043	3,929,043
Current assets	27,046	210,487	10,272	247,805
Current liabilities	-	(167,717)	-	(167,717)
Pension scheme liability	-	(391,000)	-	(391,000)
	<u>27,046</u>	<u>(348,230)</u>	<u>3,939,315</u>	<u>3,618,131</u>

20. Conversion to an Academy Trust

On 1 March 2012 The Bourton Meadow School converted to Academy Trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Bourton Meadow Academy from the Buckinghamshire Local Authority for £nil consideration

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

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

	Unrestricted funds £	Restricted general fund £	Restricted fixed asset fund £	Total £
Tangible fixed assets	-	-	-	-
Freehold land & buildings	-	-	3,866,000	3,866,000
Other tangible fixed assets	-	-	44,754	44,754
Budget surplus on Local Authority funds	-	47,187	-	47,187
Local Authority loans	-	(37,308)	-	(37,308)
LGPS pension deficit	-	(349,000)	-	(349,000)
Net assets/(liabilities)	<u>-</u>	<u>(339,121)</u>	<u>3,910,754</u>	<u>3,571,633</u>

The above net assets/(liabilities) include £47,187 that was transferred as cash

21. Related party transactions

No transactions with related parties were undertaken such as are required to be disclosed under 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

The Bourton Meadow Academy Company Limited by Guarantee

Notes to the Financial Statements

Period from 1 December 2011 to 31 August 2012

22. Ultimate controlling party

There is no ultimate controlling party

23. Company limited by guarantee

The Academy Trust is a company limited by guarantee and does not have share capital

24. Reconciliation of net outgoing resources before transfers to net cash outflow from operating activities

	2012 £
Net incoming resources before transfers	3,648,131
Fixed assets transferred from Local Authority	(3,910,754)
Depreciation	53,914
Pension transferred from Local Authority on conversion	349,000
Interest receivable	(122)
FRS 17 pension cost less contributions payable	5,000
FRS 17 pension finance cost	7,000
Increase in debtors	(80,218)
Increase in creditors	167,717
Cash transferred on conversion to an Academy Trust	(47,187)
Net cash inflow from operating activities	<u>192,481</u>

25. Returns on investments and servicing of finance

	2012 £
Interest received	<u>122</u>

26. Analysis of changes in net debt

	2012 £
Purchase of tangible fixed assets	(72,203)
Net cash outflow from capital expenditure and financial investment	<u>(72,203)</u>

27. Members' liability

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