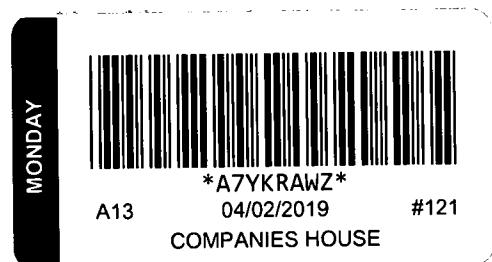


REGISTRAR COPY

THE BOURTON MEADOW EDUCATION TRUST
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018



THE BOURTON MEADOW EDUCATION TRUST
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE TRUST, ITS MEMBERS/ TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2018

Members	Mr A J MacGarvey Mr L Harrison Mr P J Fealey
Trustees	Mr A MacGarvey, Chairman of the Board Mr L Harrison Mr P J Fealey Mrs C Conquest Mr A Pool Mr M J Kitson, Executive Headteacher and Accounting Officer
Local Governors - Bourton Meadow	Mrs P Croucher, Chair Mrs L Berry, Headteacher Mrs D Bowden Mrs L Dallaway Mr P Deakin (appointed 15 October 2018) Mrs K Du-Preez (appointed 1 September 2017) Mr P J Fealey Mrs L Handley Mr S Rogers Mrs J Sarvasson (appointed 1 September 2017) Mr B Boggie
Local Governors - George Grenville	Mr S Townsend, Chair of Governors Mrs E Killick, Headteacher Ms L Bowe (appointed 16 October 2017) Ms S Carter (appointed 19 May 2018) Mrs A Cameron Ms R Clark (appointed 18 March 2018) Mr K Harvey Mrs J Long Mr A Macpherson (appointed 16 October 2017) Mr A Pool Mrs H Venn Mr P Williams
Local Governors - Lace Hill	Mr C Garlick, Chair Mr G Griffiths, Head Teacher Mr N Boyce Rev. T Edworthy Mr P J Fealey Mrs S Green Mrs L Harper Mr D Hoareau Mrs G Hopkin Mr N Lodhia Mrs S Green Mrs L Harper Mr D Hoareau Mrs G Hopkin

THE BOURTON MEADOW EDUCATION TRUST
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Company name The Bourton Meadow Education Trust

Principal and Registered office Bourton Meadow Education Trust
Burleigh Piece
Buckingham
MK18 7HX

Company registered number 07867334

Senior management team

Bourton Meadow:
Mrs L Berry, Headteacher
Mrs L Handley, Deputy Headteacher
Mrs S Jones, Deputy Headteacher
Mrs D Bowden, Assistant Headteacher
George Grenville:
Mrs E Killick, Headteacher
Mrs C Ryan, Deputy Headteacher
Lace Hill:
Mr G Griffiths, Headteacher
Mrs A Bradford, Senior Teacher
Mrs S Sheridan, Curriculum Lead
Mrs L Heaton, Curriculum Lead

Independent auditor MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors
Peterbridge House
The Lakes
Northampton
NN4 7HB

Bankers Lloyds Bank Plc
Lloyds Court
28 Secklow Gate West
Milton Keynes
Buckinghamshire
MK9 3EH

Solicitors Michelmores
Woodwater House
Pynes Hill
Exeter
EX2 5WR

Company secretary Mrs K Herring

THE BOURTON MEADOW EDUCATION TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

The Trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements of the charitable company for the year ended 31 August 2018. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The Trust operates 3 primary academies for pupils aged 2 to 11 serving a catchment area that covers much of the town of Buckingham and the immediate surrounding area. Bourton Meadow has a pupil capacity of 630 with a 90 place nursery. In July 2018, there were 624 pupils in the school and 80 in the nursery. George Grenville has a pupil capacity of 210 with a 30 place nursery. In July 2018, there were 164 pupils in the school and 44 in the nursery. Lace Hill has a pupil capacity of 210 with a 30 place nursery. In July 2018, there were 126 pupils in the school and 44 in the nursery.

The Trust also operates a Teacher Training Centre and in July 2018 there were 40 trainees.

Structure, governance and management

CONSTITUTION

The Bourton Meadow Education Trust is a company limited by guarantee and an exempt charity.

The charitable company's Memorandum and Articles of Association are the primary governing documents of the Trust.

The Trustees of The Bourton Meadow Education Trust are also the Directors of the charitable company for the purposes of company law.

The charitable company is known as The Bourton Meadow Education Trust.

Details of the Trustees, Directors and Governors are included in the Reference and Administrative Details on page 1.

The Trust was incorporated on 1 December 2011 and commenced trading on that date.

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.

TRUSTEES' INDEMNITIES

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of the insurance in the year was within the membership payment of the Government Risk Protection Arrangement.

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF GOVERNORS

The Board of Trustees is responsible for appointing Governors for Bourton Meadow Academy, George Grenville Academy and Lace Hill Academy except for parent Governors and staff Governors who are elected by a secret

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

ballot. The term of office for any Governor shall be 4 years, save that this time limit shall not apply to the Headteacher and Executive Headteacher. 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 respective academies 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.

PRINCIPAL ACTIVITIES

Bourton Meadow School converted to Academy status on 1 March 2012 at which point the entity's operations commenced. It became a Multi Academy Trust in June 2013 and was named The Bourton Meadow Education Trust. The Trust's principal activities are to provide all children within the Buckingham community with the same outstanding educational opportunities principally by establishing, maintaining, carrying on, managing and developing schools that offer a broad, balanced and outstanding curriculum.

ORGANISATIONAL STRUCTURE

During the initial period a unified management structure was introduced to help improve the way The Bourton Meadow Education Trust is run. Since the transfer to the BMET, the structure now consists of four levels: the Trustees, the Directors, the Local Governors and The Senior Management Teams. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

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

The Senior Managers at all three academies control the Academy at an executive level implementing the policies laid down by their respective governing bodies and reporting back to them. Senior Managers are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though the Headteacher is always appointed by the directors. Some spending control is devolved to members of the Management Team, with limits above which a Senior Manager must countersign.

ARRANGEMENTS FOR SETTING PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

The Trust has a detailed Pay Policy in place that outlines the processes and procedures that are used in setting the pay and remuneration of all staff within the Trust. The pay of the Executive Headteacher is determined annually by the directors of the Trust after a detailed performance review. A rigorous system of Performance Management is in place in each academy that is regularly reviewed and updated. There is a direct link between pay and performance and all staff are set clear objectives for their personal performance for the year. The performance management of the Headteachers of each academy is carried out by members of the respective Local Governing Body together with the Executive Headteacher. They set challenging targets for their academy as well as a trust-wide target. The Performance Management process is carefully reviewed annually and Headteachers provide local governing bodies with an annual report on the outcomes of the Performance Management cycle.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

TRADE UNION FACILITY TIME

The Bourton Meadow Education Trust has no relevant Union Officials and so no Facility Time has been recognised.

RISK MANAGEMENT

The Governors have assessed the major risks to which Bourton Meadow Academy, George Grenville Academy and Lace Hill Academy are exposed, in particular those relating to the 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 Academies have an effective system of internal financial controls and this is explained in more detail in the Governance statement.

RELATED PARTIES AND OTHER CONNECTED CHARITIES AND ORGANISATIONS

At present, there are no significant related party relationships.

Objectives and Activities

OBJECTS AND AIMS

The principal object and activity of the charitable company, The Bourton Meadow Educational Trust, is the operation of Bourton Meadow Academy, George Grenville Academy and Lace Hill Academy to provide an outstanding education for pupils of different abilities between the ages of 2 and 11 with an emphasis on an exciting, broad, balanced and creative curriculum.

OBJECTIVES, STRATEGIES AND ACTIVITIES

Bourton Meadow Academy, George Grenville Academy and Lace Hill Academy are all schools that we can justifiably feel proud of. They are 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 we welcome their whole family and work with them as a team, with the welfare and education of each child being our focus.

Pupils 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, Headteachers and Governors have a positive, open minded approach to sharing good practice with other schools. Links with schools in the Trust and beyond have led to rapid development. Development and improvement is continuous and constantly strived for.

In June 2013 Ofsted inspectors judged Bourton Meadow Academy to be "Outstanding" for the third time and we continue develop further, therefore providing our pupils with the very best primary education we can. With the appointment of a permanent Headteacher, Bourton Meadow Academy is now moving forward at pace and continues to improve. George Grenville Academy was inspected for the first time in January 2018 and was judged to be at least good in all areas with some judged as outstanding. Overall, it is judged as a good school, which is in line with our own judgements. It now has the opportunity to develop into an even stronger school. George Grenville Academy's predecessor was judged as Requires Improvement by Ofsted and so it is a tremendous achievement for the school to be approaching outstanding. As a recently opened school, Lace Hill

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Academy has not yet been inspected but we are confident that when Ofsted do come it will be judged as a good school. The Initial Teacher Training Centre is judged as outstanding by Ofsted and continues to produce outstanding new teachers.

The main areas of development for The BMET during the period ended August 31 2018 were:

- Prepare George Grenville Academy for an Ofsted inspection during the coming year.
- Continue the development and expansion of Lace Hill Academy and prepare it for an Ofsted inspection in the coming year
- Consolidate the work of the Initial Teacher Training Centre so that it maintains its viability in an increasingly competitive market. This includes the link with Bedgrove Infant School, providing services for the Astra Alliance and developing the Assessment Only route. It also includes ways of expanding the type of activities that the ITT is involved in
- Continuing the development of Bourton Meadow Academy so that after challenging times, the school operates at the high standard of performance it is known for.
- Developing the senior leadership of the Trust particularly in terms of their role in monitoring and evaluating the work of the academies
- Working to promote the role of the Trust in developing closer working links with schools in the town of Buckingham and vicinity
- Expand the trust through the merger with two Northampton primary schools
- Look for further opportunities to expand

The main areas for Bourton Meadow Academy to develop during the period ended 31 August 2018 are summarised below:

- To embed the new vision and ethos across the school
- To ensure the new leadership structure supports children to make maximum progress
- To ensure the teaching and planning of writing allows all pupils to make maximum progress
- To ensure assessment information is used to drive teaching and learning priorities across the school
- To reduce the incidents of disruption from children with special behaviour needs
- To ensure children feel happy and safe at lunchtime
- To improve the rate of progress across the school
- To diminish the difference in attainment and progress between the disadvantaged and non-disadvantaged pupils

The main areas for George Grenville Academy to develop during the period ended 31 August 2018 are summarised below:

- To further enhance professional development through a collaborative approach
- To further develop curriculum leaders to ensure progress and accurate assessment is evident across all subjects
- To further develop opportunities for challenge across all subjects
- To ensure all targeted interventions are measured with significant impact
- To further promote healthy living and well-being across the school
- To continue to raise the attainment of disadvantaged pupils across the school
- To raise the attainment and progress for reading across the school, particularly for disadvantaged pupils
- To raise attainment and progress in writing , particularly for disadvantaged pupils

The main areas for Lace Hill Academy to develop during the period ended 31 August 2018 are summarised below:

- To enhance both the formal curriculum and extra-curricular opportunities
- To develop effective self-evaluation systems
- To develop leadership capacity as the schools grows

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

- To improve pupils' understanding of maths
- To improve attendance
- To develop pupils' understanding of personal safety
- To enhance and improve working practices in the EYFS settings

The overriding objectives of the Trust are:

- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care
- 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 the communities it serves; and
- To conduct the Academies' business in accordance with the highest standards of integrity, probity and openness.

The Trust's main strategy is encompassed in its mission statement which is 'To provide outstanding outcomes and lifelong learning skills for all'.

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 Bourton Meadow Educational 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.

Strategic Report

ACHIEVEMENTS AND PERFORMANCE

Achievements and performance – Bourton Meadow Academy

Bourton Meadow Academy is in its sixth year of operation and continues to be a very popular school that is regularly oversubscribed. The Academy also operates a Nursery taking rising 3's up to school age. The past year has been another challenging year for the school. The continued reduction of budgets in real terms has further increased the financial pressure on the school. Government pressure on all schools to provide a greater service with less income only compounds the matter. The shortage of teachers makes recruitment ever more difficult and both of these issues provides additional challenges for the school. However, the school has managed to recruit well and is working to further develop the strong staff team.

Examination results for 2018 continue to be strong in most areas, particularly in terms of progress. However, results at the end of Key Stage 2 dipped from the previous year particular in terms of progress. The school is able to provide some evidence for why this is but it knows that results must improve next year. It has already implemented several actions in order to achieve this. In contrast, progress outcomes in other year groups continue to be strong showing that the vast majority of pupils are making at least good progress. Attainment is

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

at least in line with national expectations and often higher

Early Years Foundation Stage

74% of pupils have achieved a 'good level of development' compared to 70% last year at Bourton Meadow Academy and 72% nationally this year. The EYFSP average score was 35.0 which compares with a national figure of 35.0. These results reflect the good practice taking place in the Early Years

Phonics

83% of pupils achieved the expected standard in phonics which was up from 78% last year. This year, the national figure was 83%.

Key Stage 1

Figures in brackets give the school's performance in the previous year.

79% (73%) of children achieved the expected level in Reading, 63% (53%) achieved it in Writing and 79% (73%) achieved it in Maths. 29% (23%) of children exceeded the expected level in Reading, 17% (10%) in Writing and 21% (29%) in Maths. Nationally, the figures for age related attainment are 76% in Reading, 70% in Writing and 76% in Maths and the percentages exceeding the expected level were 26% in Reading, 16% in Writing and 22% in Maths. Most scores improved when compared to the previous year and exceeded national figures in most areas. The school's own data shows that most pupils make good progress in Key Stage 1.

Key Stage 2

Figures in brackets refer to the previous year's results

Results at the end of Key Stage 2 in July 2018 were mixed and the school was disappointed with these. Whilst attainment remained above average, progress was less positive. The school has evidence that this was due to an over inflation of these pupils scores at the end of Key Stage 1 which made progress over Key Stage 2 more difficult to evidence. However, this doesn't hide the fact that the school's assessment system needs to be tighter. The school is aware of this and has taken steps to address this. Progress throughout the rest of the key stage is good which does suggest that the end of key stage results were only a blip and not a trend.

79% (73%) of pupils achieved the expected level in Writing with 76%(85%) achieving it in Reading and 73% (82%) in Maths. 30% of pupils exceeded the expected level in Reading with 28% doing so in Writing and 21% in Maths. The comparable national figures are 75% and 28% for Reading, 78% and 20% for Writing and 76% and 24% for Maths.

In terms of progress, the school's data shows that 60% (62%) of pupils made expected progress in Reading, 80% (87%) in Writing and 41% (58%) in Maths. The average scaled score of around 106 for reading and 105 for Maths is well above the average of 100.

In terms of progress, the current Year 6 is the weakest. Progress in other year groups is generally good although there needs to be a greater focus on accelerated progress.

Achievements and performance – George Grenville Academy

George Grenville Academy has completed its third year as a member of the Trust and numbers on roll continue to rise, albeit at a slower rate. The school is rising in popularity and is now recognised locally for the good work it does. Results are varied because of the nature of the cohorts the school has but progress is almost always good. Although the school had a very positive Ofsted inspection, the year was not without challenges, most notably around finance, staffing and some pupil's behaviour. The school handled these challenges well and ended the year in a solid position.

Foundation Stage

67% of children achieved a 'good level of development' in the Early Years which is virtually the same as last year reflecting the nature of the cohorts the school takes in. The national figure this year is 72%. The EYFSP average score was 34.2 compared with a national figure of 35 last year. From a low baseline, progress is good.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Phonics

77% achieved the expected standard in phonics which was up from 64% last year. This year, the national figure was 83%.

Key Stage 1

Figures in brackets give the school's performance in the previous year.

Improvements in the school have resulted in improved outcomes for attainment in Key Stage 1 and most are now in line with national figures. In addition, the school's own data showed that all pupils made very good progress. 77% (77%) of pupils achieved the expected level in Reading, 73% (73%) in Maths and 59% (59%) achieving it in Writing. 27% (36%) of pupils exceeded the expected level in Reading and 14% (14%) in Writing with 23% (27%) exceeding it in Maths. Nationally, the figures for age related attainment are 76% in Reading, 70% in Writing and 76% in Maths and the percentages exceeding the expected level were 26% in Reading, 16% in Writing and 22% in Maths. Progress data shows that almost all pupils making expected progress with many exceeding it.

Key Stage 2

Figures in brackets give the school's performance in the previous year.

The school once again achieved good results from its pupils in Year 6. 79% (70%) of pupils achieved the expected level in Writing and 76% (70%) achieved it in Maths with 86% (63%) achieving it in Reading. 41% (19%) of pupils exceeded the expected level in Reading with 21% (33%) doing so in Writing and 39% (15%) in Maths. The percentage of pupils who achieved the expected level in Reading, Writing and Maths was 69% (63%) and the percentage of pupils who achieved greater depth in Reading, Writing and Maths was 14%. The average scaled scores of 107 in Reading and 105 in Maths is well above the average of 100.

In terms of progress, the school's data shows that 62% (67%) of pupils made expected progress in Reading, 81% (95%) in Writing and 70% (76%) in Maths. Overall, these are very good results and the school is right to be pleased with them.

Achievements and performance – Lace Hill Academy

Lace Hill Academy has now been open for three years and now most of the building issues have been resolved. It continues to expand and now takes pupils through to Year 6 although numbers are slightly lower in Key Stage 2. At the end of the year there were 126 pupils in the main school with 44 in the nursery. Numbers in September 2018 are expected to be 158 with 31 in the Nursery. The school is popular with families and numbers continue to grow. The school has done well in developing a curriculum from scratch and in establishing all the practices and procedures necessary to run a school. In moving forward, the school is confident that it will continue to grow and that it will have a successful Ofsted inspection when it arrives.

Foundation Stage

78% of children in the Reception class achieved a good level of development at the end of the year compared with 71% last year. The EYFSP average score was 35.9, a recovery from the slight dip last year and now higher than the national figure of 35.00. The school's own tracking of pupil progress suggests that pupils are making good progress. Results are now at least in line with national figures and are often exceeding them.

Year 1 Phonics

93% of pupils achieved the required level in Phonics compared with a figure of 82.0% last year and a national figure of 77% last year.

Key Stage 1

Figures in brackets give the school's performance in the previous year.

This year, there was a much larger cohort of 23 pupils. 78% (76%) of these pupils achieved the expected level in Reading, 78% (59%) achieved that level in Maths and 70% (71%) achieved it in Writing. In terms of the percentages exceeding the expected level, it was 35% (24%) in Reading, 30% (12%) in Writing and 22% (35%)

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

in Maths. The Maths score is much improved on last year's score reflecting the work the school has put in in this area. . Nationally, the figures for age related attainment are 76% in Reading, 70% in Writing and 76% in Maths and the percentages exceeding the expected level were 26% in Reading, 16% in Writing and 22% in Maths. The school's own data shows that most pupils are making at least good progress.

Year 3, 4 and 5

Whilst there is no national data for these year groups, the school's own data shows that most of these pupils are making at least good progress. Next year will be the first year that the school has results for the end of Key Stage 2.

GOING CONCERN

After making appropriate enquiries, the Board of Trustees 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 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. At Bourton Meadow Academy, for the period ended 31 August 2018 staffing costs amounted to 81.9% of total non capital income. At George Grenville Academy for the period ended 31 August 2018 staffing costs amounted to 72.2% of total non capital income. At Lace Hill Academy for the period ended 31 August 2018 staffing costs amounted to 77.8% 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 2018 the operating surplus equated to 4% of total income (excluding LGPS and restricted fixed asset funds).

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

- Outcomes for pupils in the Early Years are at least good compared with national and regional figures
- KS1 achievements exceed regional and national percentages with at least good progress across the key stage
- KS2 achievements exceed regional and national percentages with at least good progress across the key stage
- Pupil attendance rates are significantly higher than national figures– for the year ended 31 August 2017 pupil attendance was 96.9% at Bourton Meadow Academy, 95.6% at George Grenville Academy and 97.0% at Lace Hill Academy

RESERVES POLICY

The Trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £248,197 (2017 - £241,207). The Trust intends to continue building up free reserves to the level needed.

At 31 August 2018 the total funds comprised:

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Unrestricted		248,197
Restricted	Fixed asset funds	11,957,383
	Pension reserve	(1,668,000)
	Other	324,264
		<u>10,861,844</u>

INVESTMENT POLICY

The Trust continuously reviews and updates its investment policy with surplus cash funds being held in a deposit account in a high street bank

PRINCIPAL RISKS AND UNCERTAINTIES

Through the Trust'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 Board of Trustees are:

- Change in Government funding regime – the Trust receives 71% of its income from Government agencies;
- Reduction in pupil numbers either through competition or a damaged reputation/falling standards

Bourton Meadow Academy prides itself on the OFSTED grading from its 2013 inspection as which rated it as Outstanding, and recognises the importance of maintaining these standards. It is generally oversubscribed in most year groups. The good Ofsted judgement for George Grenville Academy has made this school more attractive to parents and numbers continues to rise. Similarly, since it opened, Lace Hill Academy has provided a good education to its pupils and we are confident in the outcomes for pupils.

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 Trust funding methodology
- Appropriate organisational structure with several tiers of review;
- Internal quality assurance reviews and self-assessments

Fundraising

The Trust does not involve itself in any significant fundraising activities. Occasionally, organisations external to the Trust do raise money that is then used to buy items for the Trust but these are small amounts.

PLANS FOR FUTURE PERIODS

The main aim of the Trust was to support and develop the education of all children within the Buckingham community. This has now been expanded to include all children living within the areas the trust serves. This is due to the recent expansion of the trust into Northampton. The Trust will continue striving to improve the levels of performance of children within the trust at all levels and will continue its efforts to ensure all its pupils leave their school having reached their maximum potential. However, the trust realises that in order to be truly effective in doing this it needs to be larger to provide it with more economies of scale. This is why the trust has expanded and why it will look to expand further until it is at an optimum size. This size is likely to be big enough to achieve the full benefits of a Trust but small enough to ensure a personal level of attachment to the Trust and its schools. We are considering three hubs with approximately 4 schools in each, Buckingham and Northampton being two of these hubs. However, these plans are still at a very formative stage and we have a number of possibilities available to us. It is key though, that any expansion does not in any way have a negative effect on

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

schools already in the Trust. With this expansion, the Trust is also looking at changing its name to better reflect its aims and values.

As part of these expansion plans, the Trust aims in the future to provide school improvement services to other schools but will only do so in a way that does not jeopardise the achievement of pupils in the Trust's own schools. George Grenville Academy became part of the Trust on February 1st 2015 and Lace Hill Academy opened as part of the Trust on September 1st 2015. These schools are now at a level comparable with Bourton Meadow and so we feel we are now in a stronger position to begin to support other schools. Spring Lane and Lumbertubs joined the trust in September 2018 as the Northampton hub and whilst Lumbertubs will need some support, Spring Lane has significant capacity to support other schools. The expansion of the Trust means that we will need to re-examine the central services that we offer to schools. We have expanded the role of our Initial Teacher Training Centre so that we now act as the provider for other lead schools and we accredit teachers through the Assessment Only route. We now want to consolidate this work of the Initial Teacher Training Centre to ensure its continuing viability. This is partly because one of our lead schools will not be working with us from September 2018. The Initial Teacher Training Centre is now accredited to train teachers through the apprentice route – one of the few institutions in the country to be granted this – and we will look to develop this offer over the coming year. Any further expansion of the Trust will only be in accordance with the clearly stated vision of the Trust

FUNDS HELD AS CUSTODIAN

The Academy holds no funds as custodian Trustee on behalf of others.

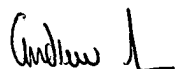
DISCLOSURE OF INFORMATION TO AUDITOR

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware
- the Trustees 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.

The Trustees sought out quotes for the provision of auditing services for the coming year and decided to reappoint MacIntyre Hudson as the trust's auditors.

The Trustees' report was approved by order of the Board of Trustees, as the company directors, on 17/12/18 and signed on its behalf by:



Mr A J MacGarvey
Chair of Trustees

THE BOURTON MEADOW EDUCATION TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that The Bourton Meadow 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 The Bourton Meadow Education Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE STATEMENT

The directors of The Bourton meadow Education Trust ensure that there is appropriate financial expertise on each Local Governing Body as well as at director level. There are many checks in place to ensure that the trust is appropriately managed and that it is effective in controlling the resources at its disposal.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 8 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr A MacGarvey	8	8
Mr L Harrison	7	8
Mr P J Fealey	7	8
Mrs C Conquest	8	8
Mr A Pool	4	8
Mr M J Kitson, Executive Headteacher and Accounting Officer	8	8

THE BOURTON MEADOW EDUCATION TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

Bourton Meadow Academy:

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs L Berry, Headteacher	4	5
Mr C Garlick	4	5
Mrs D Bowden	5	5
Mrs P Croucher, Chairman	5	5
Mrs L Dallaway	4	5
Mr P Deakin	3	5
Mrs K Du-Preez	4	5
Mr P J Fealey	3	5
Mrs L Handley	5	5
Mrs A McGuigan (Resigned)	2	3
Mr S Rogers	5	5
Mrs J Sarvasson	5	5
Mr B Boggie	4	5

The Finance, Personnel and Pay Review Committee is a sub-committee of the main Board of the Governors of Bourton Meadow Academy. Its purpose is to monitor the financial position of the Academy and the Trust and support staffing plans. This financial period has concentrated on consolidating the financial position at a time of falling budgets. Attendance at meetings in the period was as follows:

Attendance at meetings in the year was as follows:

	Meetings attended	Out of a possible
Mrs L Berry, Headteacher	4	4
Mr B Boggie	4	4
Mrs L Dallaway	3	4
Mrs A McGuigan (Resigned)	2	2
Mr S Rogers	4	4

THE BOURTON MEADOW EDUCATION TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

George Grenville Academy:

Attendance during the period at meetings of the Local Governing Body of George Grenville Academy was as follows:

	Meetings attended	Out of a possible
Ms L Bowe	5	5
Ms S Carter	1	2
Ms A Cameron	4	5
Ms R Clark	1	3
Mr K Harvey	3	5
Mrs E Killick	5	5
Mrs J Long	5	5
Mr A Macpherson	3	5
Mr A Pool	2	5
Ms V Tomopoulou	2	3
Mr S Townsend	5	5
Mrs H Venn	5	5
Mr P Williams	5	5

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

Resources Committee Attendance 2017/18

	Meetings attended	Out of a possible
Ms L Bowe	5	6
Mr K Harvey	4	6
Mrs E Killick	6	6
Ms V Tomopoulou	2	4
Mr S Townsend	5	6
Mr P Williams	5	6

Lace Hill Academy

Attendance during the period at meetings of the Local Governing Body of Lace Hill Academy was as follows:

	Meetings attended	Out of a possible
Mr N Boyce	4	6
Rev. T Edworthy	4	6
Mr P Fealey	2	6
Mr C Garlick	6	6
Mrs S Green	6	6
Mr G Griffiths	6	6
Mrs L Harper	5	6
Mr D Hoareau	5	6
Mrs G Hopkin	4	6
Mr N Lodhia	4	6
Mr P Williams	3	3

THE BOURTON MEADOW EDUCATION TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

The Finance, Personnel and Pay Review Committee is a sub-committee of the main Board of the Governors of Lace Hill Academy. Its main purposes are to monitor the financial position of the Academy and support staffing plans. This financial period has concentrated on establishing robust financial reporting procedures for the Academy and the Trust since conversion. Attendance at meetings in the period was as follows:

	Meetings attended	Out of a possible
Mr N Lodhia	3	3
Mr C Garlick	2	3
Mr G Griffiths	3	3
Mr D Hoareau	2	3

Bourton Meadow Local Governing Body, George Grenville Local Governing Body and Lace Hill Local Governing Body are now all made up of a good mix of experienced and relatively new governors. There have been no reviews of governance over the past year at George Grenville or Lace Hill as they both have recently been inspected by Ofsted. However, directors will ask the governing body of Bourton Meadow Academy to conduct a self-evaluation by the end of the 2018-19 year.

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. The Accounting Officer 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 Academy 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 appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- The purchase of services as a Trust rather than by individual academies, thereby achieving economies of scale
- Carrying out in depth budget reviews in order to remove any unnecessary items
- Tightening up on budget control during the year
- Greater control of fixed assets

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 Education Trust for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

THE BOURTON MEADOW EDUCATION TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

CAPACITY TO HANDLE RISK

The Board of Trustees 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 Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks, that has been in place for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

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 Board of Trustees;
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- 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 board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed MHA MacIntyre Hudson, the external auditor, to perform additional checks.

The reviewer's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations

On a quarterly basis, the external auditor reports to the Board of Trustees through the audit committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

THE BOURTON MEADOW EDUCATION TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

REVIEW OF EFFECTIVENESS

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

- 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 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 Board of Trustees on 17/12/18 and signed on their behalf, by:



Mr A J MacGarvey
Chair of Trustees



Mr M J Kitson
Accounting Officer

THE BOURTON MEADOW EDUCATION TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Bourton Meadow Education Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, 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 2017.

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 2017.

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 Board of Trustees and ESFA.



Mr M J Kitson
Accounting Officer

THE BOURTON MEADOW EDUCATION TRUST
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2018

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction issued by the Education & Skills 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 these financial statements, the Trustees are required to:

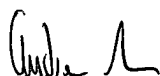
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 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 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 Trustees 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 ESFA/DfE have been applied for the purposes intended.

The Trustees 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.

Approved by order of the members of the Board of Trustees on 17/12/18 and signed on its behalf by:



Mr A J MacGarvey
Chair of Trustees

THE BOURTON MEADOW EDUCATION TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE BOURTON MEADOW EDUCATION TRUST

OPINION

We have audited the financial statements of The Bourton Meadow Education Trust (the 'Trust') for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 August 2018 and of its 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
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Trust ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our

THE BOURTON MEADOW EDUCATION TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE BOURTON MEADOW EDUCATION TRUST

knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which 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.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement set out on page 19, the Trustees (who are also the directors of the 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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

THE BOURTON MEADOW EDUCATION TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE BOURTON MEADOW EDUCATION TRUST

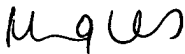
AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

USE OF OUR REPORT

This report is made solely to the trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the trust'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 trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Rebecca Hughes BSc(Hons) FCCA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

Peterbridge House
The Lakes
Northampton
NN4 7HB

Date: 18 December 2018

THE BOURTON MEADOW EDUCATION TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
BOURTON MEADOW EDUCATION TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 20 September 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Bourton Meadow Education Trust during the year 1 September 2017 to 31 August 2018 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 Education Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Bourton Meadow Education Trust and the ESFA 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 Education Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF THE BOURTON MEADOW EDUCATION TRUST'S ACCOUNTING
OFFICER AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of The Bourton Meadow Education Trust's funding agreement with the Secretary of State for Education dated 8 February 2013, and the Academies Financial Handbook extant from 1 September 2017, 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 2017 to 2018. 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 1 September 2017 to 31 August 2018 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 2017 to 2018 issued by the ESFA. 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 Trust's income and expenditure.

THE BOURTON MEADOW EDUCATION TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
BOURTON MEADOW EDUCATION TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY
(continued)**

The work undertaken to draw our conclusion includes:

- Reviewing the minutes of meetings of the Board of Trustees and other evidence made available to us, relevant to our consideration of regularity;
- A review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy;
- Testing a sample of payroll payments to staff;
- Testing a sample of payments to suppliers and other third parties;
- Testing a sample of grants received and other income streams;
- Evaluating the internal control procedures and reporting lines, and testing as appropriate; and
- Making appropriate enquiries of the Accounting Officer.

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

MHA MacIntyre Hudson

MHA MacIntyre Hudson

Chartered Accountants

Peterbridge House
The Lakes
Northampton
NN4 7HB

Date: *18 December 2018*

THE BOURTON MEADOW EDUCATION TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	Unrestricted funds 2018 £	Restricted general funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:						
Donations and capital grants	2	19,049	132,929	24,928	176,906	171,952
Charitable activities:						
Funding for the Academy						
Trust's educational operations	5	-	4,186,839	-	4,186,839	3,843,400
Other trading activities	3	363,806	123,646	-	487,452	471,110
Investments	4	900	-	-	900	3,410
Teaching school		-	253,053	-	253,053	277,345
TOTAL INCOME		383,755	4,696,467	24,928	5,105,150	4,767,217
EXPENDITURE ON:						
Raising funds		358,606	262,871	-	621,477	627,410
Charitable activities:						
Academy Trust educational operations		-	4,455,929	339,873	4,795,802	4,444,958
Teaching school		-	256,204	-	256,204	236,060
TOTAL EXPENDITURE	6	358,606	4,975,004	339,873	5,673,483	5,308,428
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	17	25,149 (143,988)	(278,537) 53,965	(314,945) 90,023	(568,333) -	(541,211) -
NET EXPENDITURE BEFORE OTHER RECOGNISED GAINS AND LOSSES		(118,839)	(224,572)	(224,922)	(568,333)	(541,211)
Actuarial gains/(losses) on defined benefit pension schemes	19	-	510,000	-	510,000	103,000
NET MOVEMENT IN FUNDS		(118,839)	285,428	(224,922)	(58,333)	(438,211)
RECONCILIATION OF FUNDS:						
Total funds brought forward		367,036	(1,629,164)	12,182,305	10,920,177	11,358,388
TOTAL FUNDS CARRIED FORWARD		248,197	(1,343,736)	11,957,383	10,861,844	10,920,177

THE BOURTON MEADOW EDUCATION TRUST**(A company limited by guarantee)****REGISTERED NUMBER: 07867334**

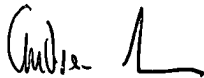
**BALANCE SHEET
AS AT 31 AUGUST 2018**

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	13		11,949,686		12,137,746
CURRENT ASSETS					
Debtors	14	263,840		140,568	
Cash at bank and in hand		662,960		858,754	
		<u>926,800</u>		<u>999,322</u>	
CREDITORS: amounts falling due within one year	15	<u>(337,694)</u>		<u>(418,891)</u>	
NET CURRENT ASSETS			<u>589,106</u>		<u>580,431</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>12,538,792</u>		<u>12,718,177</u>
CREDITORS: amounts falling due after more than one year	16		<u>(8,948)</u>		<u>(15,000)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			<u>12,529,844</u>		<u>12,703,177</u>
Defined benefit pension scheme liability	19	(1,668,000)		(1,783,000)	
NET ASSETS			<u><u>10,861,844</u></u>		<u><u>10,920,177</u></u>
FUNDS OF THE ACADEMY TRUST					
Restricted funds:					
Restricted income funds	17	324,264		153,836	
Restricted fixed asset funds	17	<u>11,957,383</u>		<u>12,182,305</u>	
Restricted income funds excluding pension liability		<u>12,281,647</u>		<u>12,336,141</u>	
Pension reserve		<u>(1,668,000)</u>		<u>(1,783,000)</u>	
Total restricted funds			<u>10,613,647</u>		<u>10,553,141</u>
Unrestricted income funds	17		<u>248,197</u>		<u>367,036</u>
TOTAL FUNDS			<u><u>10,861,844</u></u>		<u><u>10,920,177</u></u>

THE BOURTON MEADOW EDUCATION TRUST
(A company limited by guarantee)

BALANCE SHEET (continued)
AS AT 31 AUGUST 2018

The financial statements on pages 26 to 56 were approved by the Trustees, and authorised for issue, on 17/12/18 and are signed on their behalf, by:



Mr A J MacGarvey
Chair of Trustees

THE BOURTON MEADOW EDUCATION TRUST
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	21	(79,835)	258,485
Cash flows from investing activities:			
Dividends, interest and rents from investments		10,928	3,410
Purchase of tangible fixed assets		(151,815)	(183,189)
Capital grants from DfE Group		24,928	21,512
Net cash used in investing activities		(115,959)	(158,267)
Cash flows from financing activities:			
Repayments of borrowings		-	(6,210)
Cash inflows from new borrowing		-	25,000
Net cash provided by financing activities		-	18,790
Change in cash and cash equivalents in the year		(195,794)	119,008
Cash and cash equivalents brought forward		858,754	739,746
Cash and cash equivalents carried forward	22	662,960	858,754

THE BOURTON MEADOW EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgments and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Bourton Meadow Education Trust constitutes a public benefit entity as defined by FRS 102.

1.2 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 trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

THE BOURTON MEADOW EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.3 Income

All income is recognised once the Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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.

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income provided to the Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where receipt is probable and it is measurable.

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

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

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

THE BOURTON MEADOW EDUCATION TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities are costs incurred on the Trust's educational operations, including support costs and those costs relating to the governance of the Trust appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

All assets costing more than £2,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- 2% straight line
Leasehold property	- 0.8% - 16% straight line
Furniture and fixtures	- 20% straight line
Plant and equipment	- 6.66%/ 25% straight line
Computer equipment	- 33.3% straight line

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 incorporating income and expenditure account.

THE BOURTON MEADOW EDUCATION TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES (continued)

1.6 Agency arrangements

The Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the Trust does not have control over the charitable application of the funds. The Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 25.

1.7 Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.8 Provisions

Provisions are recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.9 Leased assets

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

1.10 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 part 11, chapter 3 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 EDUCATION TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.11 Pension benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments Pension Scheme ("LGPS"). These are defined benefit schemes.

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 quadrennial valuations using a prospective unit credit method. As stated in note 19, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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 credit 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 the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities incorporating income and expenditure account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.12 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

THE BOURTON MEADOW EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.13 Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Academy Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £	Restricted general funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations	19,049	131,874	2,500	153,423	150,440
Capital grants	-	1,055	22,428	23,483	21,512
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total 2018	19,049	132,929	24,928	176,906	171,952
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total 2017	21,158	109,504	41,290	171,952	
	<hr/>	<hr/>	<hr/>	<hr/>	

THE BOURTON MEADOW EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2018 £	Restricted general funds 2018 £	Total funds 2018 £	Total funds 2017 £
Rental income	28,718	-	28,718	26,441
School meal income	-	114,324	114,324	73,137
School funds	335,088	-	335,088	350,008
Miscellaneous income	-	9,322	9,322	21,524
Total 2018	363,806	123,646	487,452	471,110
Total 2017	376,449	94,661	471,110	

4. INVESTMENT INCOME

	Unrestricted funds 2018 £	Restricted general funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest receivable	900	-	900	3,410
Total 2017	3,410	-	3,410	

THE BOURTON MEADOW EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £	Restricted general funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General annual grant (GAG)	-	3,159,090	3,159,090	2,963,692
Other DfE/ESFA grants	-	413,446	413,446	451,576
	-	3,572,536	3,572,536	3,415,268
Other government grants				
Local authority grants	-	614,303	614,303	428,132
	-	614,303	614,303	428,132
Total 2018	-	4,186,839	4,186,839	3,843,400
Total 2017	-	3,843,400	3,843,400	

6. EXPENDITURE

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Expenditure on raising voluntary income	18,616	-	91,725	110,341	107,579
Expenditure on fundraising trading	278,721	-	232,415	511,136	519,831
Educational operation:					
Direct costs	2,094,828	-	125,925	2,220,753	2,201,266
Support costs	1,583,944	604,590	408,021	2,596,555	2,243,692
Teaching school support costs	135,935	-	98,763	234,698	236,060
Total 2018	4,112,044	604,590	956,849	5,673,483	5,308,428
Total 2017	3,998,475	548,690	761,263	5,308,428	

THE BOURTON MEADOW EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

7. CHARITABLE ACTIVITIES

	Direct costs 2018 £	Support costs 2018 £	Total 2018 £	Total 2017 £
Educational operations	2,220,753	2,596,555	4,817,308	4,444,958
Teaching school	-	234,698	234,698	236,060
Total 2018	<u>2,220,753</u>	<u>2,831,253</u>	<u>5,052,006</u>	<u>4,681,018</u>
Total 2017	<u>2,201,266</u>	<u>2,479,752</u>	<u>4,681,018</u>	

Analysis of support costs

	2018 £	2017 £
Support staff costs	1,583,944	1,332,859
Depreciation	339,873	344,622
Technology costs	7,664	1,635
Premises costs	264,717	204,068
Other support costs	382,373	335,983
Governance costs	17,984	24,525
Total support costs	<u><u>2,596,555</u></u>	<u><u>2,243,692</u></u>

8. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets: - owned by the charity	339,875	344,622
Fees payable to auditor for - audit	11,500	10,850
Fees payable to auditor for - other services	14,300	13,675
Operating lease rentals	<u><u>14,452</u></u>	<u><u>14,305</u></u>

THE BOURTON MEADOW EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

9. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	2,969,790	3,033,348
Social security costs	245,116	232,645
Operating costs of defined benefit pension schemes	897,138	727,229
	<u>4,112,044</u>	<u>3,993,222</u>
Agency staff costs	-	5,253
	<u>4,112,044</u>	<u>3,998,475</u>

b. Staff numbers

The average number of persons employed by the Trust during the year was as follows:

	2018 No.	2017 No.
Teachers	48	53
Administration and support	134	149
Management	10	12
	<u>192</u>	<u>214</u>

No employee received remuneration amounting to more than £60,000 in either year.

c. Key management personnel

The key management personnel of the Academy Trust comprise the trustees and senior management team as listed on pages 1 and 2. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £523,806 (2017 - £525,666).

THE BOURTON MEADOW EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

10. CENTRAL SERVICES

The Trust has provided the following central services to its academies during the year:

- Executive Headteacher salaries
- Administration salaries
- Professional services (clerking)

The Trust charges for these services on the following basis:

3% of GAG funding.

Central service costs have been charged from 1 September 2017.

The actual amounts charged during the year were as follows:

	2018	2017
	£	£
Bourton Meadow	57,392	61,010
George Grenville	20,941	17,930
Lace Hill	19,200	12,823
	<u>97,533</u>	<u>91,763</u>
Total		

THE BOURTON MEADOW EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

11. TRUSTEES' REMUNERATION AND EXPENSES

One Trustees has been paid remuneration or has received other benefits from an employment with the Trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

	2018	2017
	£	£
Mr M Kitson - Executive Headteacher Remuneration	60,000-65,000	55,000-60,000
Pension contributions paid	0-5,000	0-5,000

During the year, one Trustee received reimbursement of expenses for £Nil being costs incurred in delivering the Trusts charitable objectives (2017 - One Trustee received £Nil reimbursed expenses relating to travel costs to attend a course).

The change in M Kitson's remuneration is owed to an increase in the number of days worked in the year.

Other related party transactions involving the trustees are set out in note 24.

12. TRUSTEES' AND OFFICERS' INSURANCE

The Academy Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

THE BOURTON MEADOW EDUCATION TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

13. TANGIBLE FIXED ASSETS

	Freehold property £	Furniture and fixtures £	Plant and equipment £	Total £
Cost				
At 1 September 2017	12,707,352	181,082	303,345	13,191,779
Additions	37,946	49,726	64,143	151,815
At 31 August 2018	12,745,298	230,808	367,488	13,343,594
Depreciation				
At 1 September 2017	759,557	94,141	200,335	1,054,033
Charge for the year	241,944	35,575	62,356	339,875
At 31 August 2018	1,001,501	129,716	262,691	1,393,908
Net book value				
At 31 August 2018	11,743,797	101,092	104,797	11,949,686
At 31 August 2017	11,947,795	86,941	103,010	12,137,746

14. DEBTORS

	2018 £	2017 £
Trade debtors	16,578	15,881
VAT recoverable	26,555	31,160
Prepayments and accrued income	220,707	93,527
	<u>263,840</u>	<u>140,568</u>

15. CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Capital loans	6,052	6,052
Trade creditors	89	2,139
Other taxation and social security	57,061	58,236
Other creditors	64,256	61,632
Accruals and deferred income	210,236	290,832
	<u>337,694</u>	<u>418,891</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

15. CREDITORS: Amounts falling due within one year (continued)

	2018 £	2017 £
Deferred income		
Deferred income at 1 September 2017	210,319	111,790
Resources deferred during the year	147,750	210,319
Amounts released from previous years	(210,319)	(111,790)
	<u>147,750</u>	<u>210,319</u>
Deferred income at 31 August 2018	<u>147,750</u>	<u>210,319</u>

Deferred income relates to income received in advance for trips, school meals and music tuition, free school meals grant income and rates income received in advance.

The capital loan is made up of a Salix loan that relates to a lighting upgrade and for the replacement of rooflights throughout the school. The loan is interest free and repayable over a period of 5 years.

16. CREDITORS: Amounts falling due after more than one year

	2018 £	2017 £
Capital loans	<u>8,948</u>	<u>15,000</u>

The capital loan is a Salix loan that relates to the replacement of rooflights throughout the school. The loan is interest free and repayable over a period of 5 years.

THE BOURTON MEADOW EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

17. STATEMENT OF FUNDS

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
Unrestricted funds	<u>367,036</u>	<u>383,755</u>	<u>(358,606)</u>	<u>(143,988)</u>	<u>-</u>	<u>248,197</u>
Restricted funds						
General annual grant (GAG)	38,957	3,159,090	(3,156,572)	(11,504)	-	29,971
Local authority grants	2,608	614,303	(502,247)	(500)	-	114,164
Other DfE/ESFA grants	45,489	167,575	(209,241)	2,314	-	6,137
Restricted donations	228	5,150	(5,150)	-	-	228
School meals	17,605	241,206	(234,716)	-	-	24,095
FF&E grant funding	147,619	-	(255)	(30,651)	-	116,713
Miscellaneous restricted	4,336	10,222	(14,308)	-	-	250
Pupil premium	2,590	163,868	(166,220)	-	-	238
Teaching school income	41,285	253,053	(256,204)	-	-	38,134
Regional Academy Growth Fund	-	82,000	(35,091)	(37,575)	-	9,334
Salix loans	(21,052)	-	-	6,052	-	(15,000)
Other restricted funds	(125,829)	-	-	125,829	-	-
Pension reserve	(1,783,000)	-	(395,000)	-	510,000	(1,668,000)
	<u>(1,629,164)</u>	<u>4,696,467</u>	<u>(4,975,004)</u>	<u>53,965</u>	<u>510,000</u>	<u>(1,343,736)</u>

THE BOURTON MEADOW EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

17. STATEMENT OF FUNDS (continued)

Restricted fixed asset funds

DfE/ESFA unspent capital grants	18,924	-	-	(11,228)	-	7,696
DfE/ESFA spent capital grants	623,953	-	(21,150)	47,030	-	649,833
Capital expenditure from other funds - spent	401,835	-	(75,412)	65,981	-	392,404
Capital expenditure from GAG	30,412	-	(12,959)	1,227	-	18,680
Capital transferred from LA	11,081,547	-	(230,352)	-	-	10,851,195
Devolved formula capital	5,856	22,428	-	(28,284)	-	-
Other unspent capital grants	19,778	2,500	-	(22,278)	-	-
Regional Academy Growth Fund	-	-	-	37,575	-	37,575
	<u>12,182,305</u>	<u>24,928</u>	<u>(339,873)</u>	<u>90,023</u>	<u>-</u>	<u>11,957,383</u>
Total restricted funds	<u>10,553,141</u>	<u>4,721,395</u>	<u>(5,314,877)</u>	<u>143,988</u>	<u>510,000</u>	<u>10,613,647</u>
Total of funds	<u>10,920,177</u>	<u>5,105,150</u>	<u>(5,673,483)</u>	<u>-</u>	<u>510,000</u>	<u>10,861,844</u>

The transfer between restricted General Annual Grant fund and restricted fixed asset funds represents amounts capitalised during the period and capital monies used for revenue expenditure.

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

Restricted fixed asset funds amounting to £11,949,687 will be reserved against future depreciation charges. The remaining £7,696 relates to unspent capital grants, which will be used to enhance the Academy Trust's facilities.

Restricted general funds will be used for educational purposes in line with the Academy Trust's objects and its funding agreement with the ESFA.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

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17. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £	Total 2017 £
Bourton Meadow Academy	290,442	276,806
George Grenville Academy	23,263	16,206
Lace Hill Academy	251,374	225,367
Central services	7,382	2,493
Total before fixed asset fund and pension reserve	572,461	520,872
Restricted fixed asset fund	11,957,383	12,182,305
Pension reserve	(1,668,000)	(1,783,000)
Total	10,861,844	10,920,177

ANALYSIS OF ACADEMIES BY COST

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2018 £	Total 2017 £
Bourton Meadow Academy	2,174,043	560,527	381,926	336,529	3,453,025	3,069,857
George Grenville Academy	669,895	58,333	83,485	180,692	992,405	963,137
Lace Hill Academy	539,859	109,387	88,348	150,586	888,180	728,457
	3,383,797	728,247	553,759	667,807	5,333,610	4,761,451

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2017 £
General funds						
Unrestricted funds	238,268	401,017	(260,578)	(11,671)	-	367,036

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17. STATEMENT OF FUNDS (continued)

Restricted funds

General annual grant (GAG)	3,543	2,963,692	(2,934,328)	6,050	-	38,957
Local authority grants	-	428,132	(472,066)	46,542	-	2,608
Other DfE/ESFA grants	-	547,515	(460,741)	-	-	86,774
Restricted donations	228	38,351	(38,351)	-	-	228
School meals	52,143	142,140	(176,678)	-	-	17,605
FF&E grant funding	244,759	-	(12,775)	(84,365)	-	147,619
Miscellaneous restricted	8,350	21,524	(23,798)	(1,740)	-	4,336
Pupil premium	2,567	165,556	(165,533)	-	-	2,590
Transfer from LA	26	-	(26)	-	-	-
Other restricted funds	-	-	(125,829)	-	-	(125,829)
Regional Academy Growth Fund	-	18,000	(18,000)	-	-	-
Salix loans	-	-	-	(21,052)	-	(21,052)
Pension reserve	(1,636,000)	-	(250,000)	-	103,000	(1,783,000)
	<u>(1,324,384)</u>	<u>4,324,910</u>	<u>(4,678,125)</u>	<u>(54,565)</u>	<u>103,000</u>	<u>(1,629,164)</u>

Restricted fixed asset funds

DfE/ESFA unspent capital grants	145,325	-	(9,447)	(116,954)	-	18,924
DfE/ESFA spent capital grants	524,722	-	(17,723)	116,954	-	623,953
Capital expenditure from other funds - spent	437,332	-	(101,733)	66,236	-	401,835
Capital expenditure from GAG	56,259	-	(25,847)	-	-	30,412
Capital transferred from LA	11,280,866	-	(199,319)	-	-	11,081,547
Devolved formula capital	-	21,512	(15,656)	-	-	5,856
Other unspent capital grants	-	19,778	-	-	-	19,778
	<u>12,444,504</u>	<u>41,290</u>	<u>(369,725)</u>	<u>66,236</u>	<u>-</u>	<u>12,182,305</u>
Total restricted funds	<u>11,120,120</u>	<u>4,366,200</u>	<u>(5,047,850)</u>	<u>11,671</u>	<u>103,000</u>	<u>10,553,141</u>
Total of funds	<u>11,358,388</u>	<u>4,767,217</u>	<u>(5,308,428)</u>	<u>-</u>	<u>103,000</u>	<u>10,920,177</u>

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A CURRENT YEAR 12 MONTHS AND PRIOR YEAR 12 MONTHS COMBINED POSITION IS AS FOLLOWS:

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
Unrestricted funds	238,268	784,772	(619,184)	(155,659)	-	248,197
Restricted funds						
General annual grant (GAG)	3,543	6,122,782	(6,090,900)	(5,454)	-	29,971
Local authority grants	-	1,042,435	(974,313)	46,042	-	114,164
Other DfE/ESFA grants	-	715,090	(669,982)	2,314	-	47,422
Restricted donations	228	43,501	(43,501)	-	-	228
School meals	52,143	383,346	(411,394)	-	-	24,095
FF&E grant funding	244,759	-	(13,030)	(115,016)	-	116,713
Miscellaneous restricted	8,350	31,746	(38,106)	(1,740)	-	250
Pupil premium	2,567	329,424	(331,753)	-	-	238
Transfer from LA	26	-	(26)	-	-	-
Other restricted funds	-	-	(125,829)	-	-	(125,829)
	-	253,053	(256,204)	-	-	(3,151)
Regional Academy Growth Fund	-	100,000	(53,091)	(37,575)	-	9,334
Salix loans	-	-	-	(15,000)	-	(15,000)
	-	-	-	125,829	-	125,829
Pension reserve	(1,636,000)	-	(645,000)	-	613,000	(1,668,000)
	<u>(1,324,384)</u>	<u>9,021,377</u>	<u>(9,653,129)</u>	<u>(600)</u>	<u>613,000</u>	<u>(1,343,736)</u>

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NOTES TO THE FINANCIAL STATEMENTS
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17. STATEMENT OF FUNDS (continued)

Restricted fixed asset funds

DfE/ESFA unspent capital grants	145,325	-	(9,447)	(128,182)	-	7,696
DfE/ESFA spent capital grants	524,722	-	(38,873)	163,984	-	649,833
Capital expenditure from other funds - spent	437,332	-	(177,145)	132,217	-	392,404
Capital expenditure from GAG	56,259	-	(38,806)	1,227	-	18,680
Capital transferred from LA	11,280,866	-	(429,671)	-	-	10,851,195
Devolved formula capital	-	43,940	(15,656)	(28,284)	-	-
Other unspent capital grants	-	22,278	-	(22,278)	-	-
	-	-	-	37,575	-	37,575
	<u>12,444,504</u>	<u>66,218</u>	<u>(709,598)</u>	<u>156,259</u>	<u>-</u>	<u>11,957,383</u>
	11,120,120	9,087,595	(10,362,727)	155,659	613,000	10,613,647
Total of funds	<u>11,358,388</u>	<u>9,872,367</u>	<u>(10,981,911)</u>	<u>-</u>	<u>613,000</u>	<u>10,861,844</u>

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £	Restricted general funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	11,949,686	11,949,686
Current assets	248,197	670,906	7,697	926,800
Creditors due within one year	-	(337,694)	-	(337,694)
Creditors due in more than one year	-	(8,948)	-	(8,948)
Pension Scheme liability	-	(1,668,000)	-	(1,668,000)
	<u>248,197</u>	<u>(1,343,736)</u>	<u>11,957,383</u>	<u>10,861,844</u>

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18. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds	Restricted general funds	Restricted fixed asset funds	Total funds
	2017	2017	2017	2017
	£	£	£	£
Tangible fixed assets	-	-	12,137,746	12,137,746
Current assets	244,883	709,880	44,559	999,322
Creditors due within one year	11,324	(430,215)	-	(418,891)
Creditors due in more than one year	(15,000)	-	-	(15,000)
Pension scheme liability	-	(1,783,000)	-	(1,783,000)
	<u>241,207</u>	<u>(1,503,335)</u>	<u>12,182,305</u>	<u>10,920,177</u>

19. PENSION COMMITMENTS

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

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, 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.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions.

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19. PENSION COMMITMENTS (continued)

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. 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.
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £262,745 (2017 - £258,071).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £368,000 (2017 - £315,000), of which employer's contributions totalled £294,000 (2017 - £252,000) and employees' contributions totalled £74,000 (2017 - £63,000). The agreed contribution rates for future years are 22.8% for employers and between 5.5% - 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.65 %	2.60 %
Expected return on scheme assets at 31 August	2.65 %	2.60 %
Rate of increase in salaries	3.80 %	4.20 %
Rate of increase for pensions in payment / inflation	2.30 %	2.70 %

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19. PENSION COMMITMENTS (continued)

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

	2018	2017
Retiring today		
Males	24.0	23.9
Females	26.1	26.0
Retiring in 20 years		
Males	26.3	26.2
Females	28.5	28.3

Sensitivity analysis	At 31 August 2018 £	At 31 August 2017 £
Discount rate +0.1%	96,000	88,000
Discount rate -0.1%	(99,000)	(90,000)
Mortality assumption - 1 year increase	(119,000)	(108,000)
Mortality assumption - 1 year decrease	115,000	105,000
CPI rate +0.1%	(90,000)	(78,000)
CPI rate -0.1%	88,000	76,000

The Trust's share of the assets in the scheme was:

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	1,037,000	862,000
Debt instruments	475,000	351,000
Property	145,000	114,000
Cash and other liquid assets	118,000	53,000
Other assets	200,000	164,000
Total market value of assets	<u>1,975,000</u>	<u>1,544,000</u>

The actual return on scheme assets was £57,000 (2017 - £183,000).

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NOTES TO THE FINANCIAL STATEMENTS
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19. PENSION COMMITMENTS (continued)

The amounts recognised in the Statement of financial activities are as follows:

	2018	2017
	£	£
Interest income	45,000	32,000
Interest cost	(88,000)	(65,000)
Current service cost	(645,000)	(468,000)
Administration expenses	(1,000)	(1,000)
Total	(689,000)	(502,000)

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

	2018	2017
	£	£
Opening defined benefit obligation	3,327,000	2,936,000
Current service cost	645,000	468,000
Interest cost	88,000	65,000
Employee contributions	74,000	63,000
Actuarial gains	(498,000)	(188,000)
Benefits paid	7,000	(17,000)
Closing defined benefit obligation	3,643,000	3,327,000

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

	2018	2017
	£	£
Opening fair value of scheme assets	1,544,000	1,300,000
Interest income	44,000	32,000
Actuarial losses/(gains)	12,000	(85,000)
Employer contributions	294,000	252,000
Employee contributions	74,000	63,000
Benefits paid	7,000	(17,000)
Administration expenses	-	(1,000)
Closing fair value of scheme assets	1,975,000	1,544,000

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NOTES TO THE FINANCIAL STATEMENTS
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20. OPERATING LEASE COMMITMENTS

At 31 August 2018 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2018 £	2017 £
Amounts payable:		
Within 1 year	19,060	14,452
Between 1 and 5 years	43,234	15,869
Total	62,294	30,321

21. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018 £	2017 £
Net expenditure for the year (as per Statement of Financial Activities)	(568,333)	(541,211)
Adjustment for:		
Depreciation charges	339,875	344,622
Dividends, interest and rents from investments	(10,928)	(3,410)
(Increase)/decrease in debtors	(123,272)	106,518
(Decrease)/increase in creditors	(87,249)	123,478
Capital grants from DfE and other capital income	(24,928)	(21,512)
Defined benefit pension scheme obligation inherited	352,000	217,000
Defined benefit pension scheme cost less contributions payable	43,000	33,000
Net cash (used in)/provided by operating activities	(79,835)	258,485

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash at bank and in hand	662,960	858,754
Total	662,960	858,754

23. 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.

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NOTES TO THE FINANCIAL STATEMENTS
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24. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.

25. AGENCY ARRANGEMENTS

The Academy Trust distributes teaching school bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2018 the Trust received £13,336 (2017 - £34,486) and disbursed £13,200 (2017 - £33,300) from the fund. An amount of £136 (2017 - £1,186) is included in other creditors relating to undistributed funds that is repayable to the ESFA.

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NOTES TO THE FINANCIAL STATEMENTS
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26. TEACHING SCHOOL TRADING ACCOUNT

	2018 £	2018 £	2017 £	2017 £
INCOME				
DIRECT INCOME				
Othe income	253,053		277,345	
TOTAL INCOME		253,053		277,345
EXPENDITURE				
DIRECT EXPENDITURE				
Direct staff costs	135,935		110,231	
Other direct costs	92,345		110,030	
TOTAL DIRECT EXPENDITURE	228,280		220,261	
OTHER EXPENDITURE				
Other support costs	27,924		15,799	
TOTAL EXPENDITURE		256,204		236,060
(DEFICIT) / SURPLUS FROM ALL SOURCES		(3,151)		41,285
TEACHING SCHOOL BALANCES AT 1 SEPTEMBER 2017		41,285		-
TEACHING SCHOOL BALANCES AT 31 AUGUST 2018		38,134		41,285