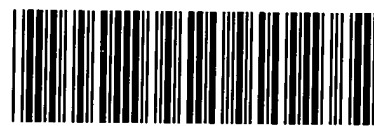


Company Limited by Guarantee
Registration number: 07895684 (England and Wales)

BUSHEY ST JAMES TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

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BUSHEY ST JAMES TRUST
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BUSHEY ST JAMES TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees and Members

Jeremy Turner	(Trustee)	Executive Principal, Headteacher of BMS and Accounting Officer (Appointed 1 st September 2014)
Samuel Russell	(Member and Trustee)	Acting Chair Little Reddings LGB; Nominated Representative of Bushey Meads LGB Chair of The Trust Board
Jonathan Davies	(Trustee)	Nominated Representative Bushey Meads LGB
Dinah Hoeksma	(Member)	Chair Bushey Meads LGB
Richard Abrahams	(Member)	Vice Chair Bushey Meads LGB
Simon Kinna	(Member and Trustee)	(Resigned 22 November 2014)
Reverend David Poultney		Vice Chair Little Reddings LGB (Appointed 23 October 2014)
Theresa Rodwell		(Resigned 23 October 2014)
Carol Raymond		Nominated Representative Little Reddings LGB (Appointed 24 October 2014)

Company Secretary/Clerk to the Trust

Deborah Marshall (Appointed 17 May 2015)
Roselyn Armitage-Brain (Resigned 17 May 2015)

Senior Management Team

Bushey Meads

Executive Principal - Jeremy Turner
Deputy Headteacher - Hilary Morawska
Assistant Headteacher – Lee Arnold
Assistant Headteacher - William Fisher
Assistant Headteacher - Sara Ash

Little Reddings School

Headteacher - Carly Simmonds
Deputy Headteacher – Ruth Ironside
(resigned 31 August 2015)
Deputy Headteacher – Lisa Evans
(Appointed 3 August 2015)
Assistant Headteacher – Tamsin
Giannone (Appointed 1 June 2015)

Principal and Registered Office

Bushey Meads School
Coldharbour Lane
Bushey
Hertfordshire
WD23 4PA

Company Registration Number

07895684

Independent Auditor

Crowe Clark Whitehill
Carrick House
Lypiatt Road
Cheltenham
GL50 2QJ

Solicitors

Stone King
16 St John's Lane
London
EC1M 4BS

Bankers

Lloyds Bank plc
45 The Broadway
Ealing
London
W5 5JU

BUSHEY ST JAMES TRUST REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2015

The Trustees present their annual report together with the financial statements and auditor's report of the Charitable Company for the period 1 September 2014 to 31 August 2015. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

Principal Activities

Bushey Meads School is an 11-19 mixed comprehensive high school specialising in technology. The Academy continues to be popular and oversubscribed – there were 1055 applications for 200 places - this is 3.5% up from 2014. In September 2015 the Academy was inspected by Ofsted under the new rigorous framework (from September 2015) and was recognised as being a good Academy. The final report outlined the major improvements made in the last year and identified the now clear strengths of the Academy which included transformational changes made in the previous 12 months prior to the inspection and strongly raised expectations.

The report emphasised the weekly focus of assembly and form times as contributing to a strong sense of purpose in lessons and other activities, clearer roles for senior and middle leaders, wider responsibilities for students and staff knowing their subjects well and being keen to learn from one another. It recognised that the new curriculum is proving interesting and relevant to students' needs, parents being supportive of the Academy and their child's learning and the fact that standards had risen this year in a wide range of subjects.

Stating that effective leadership of teaching, learning and assessment is helping to raise standards, improved teaching throughout the past year has helped to accelerate students' progress and the fact that students are receiving better feedback and marking from their different teachers since the last inspection was another pleasing aspect of the report. The report also highlighted that staff are very positive about working at the school.

Ofsted also strongly recognised the role that leaders and Trustees are playing in quite rightly expecting more of students' achievement and indeed having a clearer picture of teachers' strengths and areas that need developing. The report stated that they have made firm decisions when managing teachers' performance to make sure that students are well taught. Overall the report reflects the consistently high level of expectations at the Academy and the determination and hard work of students, parents, staff, Governors and Trustees that have led to improved provision and outcomes.

Little Reddings is a two form entry primary school with a nursery. There are currently 433 pupils on roll and the numbers are growing. There is currently a bulge class in reception. In November 2014, the school was inspected by Ofsted and found to be 'requires improvement'. This matches with the recently appointed Headteacher's and Hertfordshire County Council (HCC) view of the Academy. A detailed Post Ofsted action plan is already in place. Her Majesty's Inspector and HCC visits have confirmed that the Academy is moving forward well to becoming a 'good' Academy.

The object of Bushey St James Trust is set out in the Company's Articles of Association, namely "to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining and carrying on, managing and developing an Academy offering a broad and balanced curriculum".

Structure, Governance and Management

Constitution

Bushey St James Trust is a company limited by guarantee and is an exempt charity. The Charitable Company's Memorandum and Articles of Association and Funding Agreement are the primary governing documents of the Academy Trust. The Charitable Company was incorporated on 3 January 2012 as Bushey St James Trust (federating Bushey Meads Secondary School and Little Reddings Primary School).

BUSHEY ST JAMES TRUST **REPORT OF THE TRUSTEES (CONTINUED)** **FOR THE YEAR ENDED 31 AUGUST 2015**

The Trustees act as the Trustees for the charitable activities of Bushey St James Trust and as Directors of the Charitable Company for the purposes of Company law. The Charitable Company is incorporated as Bushey St James Trust Ltd.

Details of the Trustees who served Bushey St James Trust during the year are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

As disclosed in note 14, professional indemnity insurance is paid on behalf of the Trustees of the Academy.

Method of Recruitment and Appointment or Election of Trustees / Directors

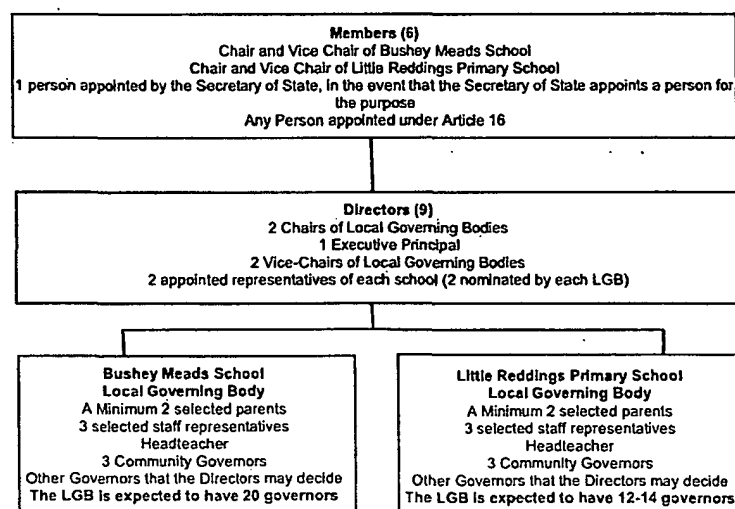
The Academy's Board of Trustees is subject to retirement by rotation. Trustees are eligible for re-election at the meeting at which they retire. The Trustees to retire are those who have served the longest in office since their appointment or re-election. New Trustees are recruited in accordance with the Articles of Association and 'A Guide to the Law for School Trustees.' The term of office for any Trustee is 4 years, although this time limit does not apply to the Headteachers.

The Board of Trustees who were in office on 31 August 2015 and served throughout the year are listed on page 1.

Policies and Procedures Adopted for the Induction and Training of Trustees

Bushey Meads and Little Reddings under Bushey St James Trust continue to procure Trustee Support services provided by Hertfordshire County Council, the local education authority. Additional training is provided as required based on individual or collective need. External advice and support is commissioned where necessary.

Organisation Structure



**BUSHEY ST JAMES TRUST
REPORT OF THE TRUSTEES (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015**

Organisation Structure (continued)

The structure of the Trust consists of four levels:

1. The Members: are responsible for final approval of any amendment to any constitutional aspect of the Trust's activities and also they form the quorum whenever there is a vote required upon the business being transacted at any meeting.
2. The Directors/Trustees (The Executive Trust Board) who include the Executive Principal of the Academies within the Trust: are responsible setting the Trust's priorities, adopting the budget, monitoring performance against these plans and making major decisions about the direction of the Trust.
3. The Local Governing Bodies (LGB) of Bushey Meads School and Little Reddings Primary School have their own terms of reference detailing the responsibilities discharged to each sub-committee of the LGB; to the Head Teachers, Deputy Head Teachers and Senior Leadership Teams.
4. The Senior Leadership Teams of Bushey Meads School and Little Reddings Primary School

The Board of Trustees is responsible for setting the Trust's priorities, adopting the budget, monitoring performance against these plans and making major decisions about the direction of the Trust.

The Headteacher, Deputy Headteacher and Senior Leadership Team of each Academy controls the Academy at an executive level, implementing the policies set by the Board of Trustees and reporting back to them.

The Board of Trustees has established two Local Governing Bodies (LGB), one for each Academy within the Trust. Each committee has its own terms of reference detailing the responsibilities discharged to the sub-committee, to the Headteachers (The Accounting Officer), Deputy Headteachers and to the Senior Leadership Team. The terms of reference and meeting frequency for each sub-committee is reviewed and approved by the Board of Trustees annually. The Board of Trustees approves the Trust's Schedule of Financial Delegation annually.

The sub-committees of the LGB at Bushey Meads are:

- Teaching and Learning
- Student Achievement
- Finance and Resources

Groups of Trustees may be formally organised outside of the sub-committee structure to support the Academy Trust as required, to consider:

- Headteacher, Deputy Headteacher and Assistant Headteacher recruitment
- Performance management of the Headteacher
- Pupil behaviour and discipline
- Staff conduct and discipline
- Complaints
- Significant areas of change management, (i.e. Academy status and the new curriculum)

The sub-committees of the LGB at Little Reddings are:

- Teaching and Learning
- Pupil Progress
- Finance and Resources

Groups of Trustees may be formally organised outside of the sub-committee structure to support the Academy Trust as required, to consider:

**BUSHEY ST JAMES TRUST
REPORT OF THE TRUSTEES (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015**

Organisation Structure (continued)

- Admissions
- Performance management of the Headteacher
- Pupil behaviour and discipline
- Staff conduct and discipline
- Complaints
- Significant areas of change management, (i.e. Academy status and the new curriculum)

Objects and Aims of the Academy

As described, the object of Bushey St James Trust is set out in the Company's Articles of Association.

The Board of Trustees continues to set the Trust's strategic aims through the Trust's improvement plan. These aims are monitored closely by the Governing Bodies and reported to the Board of Trustees by way of Headteachers, Senior Team Reports and through the work of the sub committees.

The aims and objectives for the Academy Trust are derived from the Trust's mission statement which is *'Working to build a cohesive learning community which supports the best educational outcomes for all members.'*

At the heart of the Trust is the desire to collaborate effectively and enable the two Academies to build on their success and improve their performance, drawing on the experience of all staff across the Trust.

There is a shared vision to develop first class provision between the two phases and to:

- a) aim for excellence in all we do;
- b) provide students with the best possible start for their futures;
- c) nurture greater integration and community cohesion;
- d) provide a programme of high quality continuing professional development and training for all staff to underpin and sustain improvements in teaching and learning; and
- e) emphasise to students the traditional values of self-discipline, responsibility, respect, trust and cooperation.

The Bushey St James Trust values, underpinning the work of the Trust, aim to:

- a) deliver educational excellence;
- b) ensure all children exceed expectations;
- c) prepare young people for the future;
- d) ensure that the Trust enhances the local community;
- e) ensure that the schools within the Trust are happy, safe and inclusive;
- f) support families to encourage aspiration;
- g) act with responsibility, accountability and transparency;
- h) create a seamless educational experience;
- i) encourage independence and creativity;
- j) inspire, nurture and empower all staff who work within the Trust.

Objectives, Strategies and Activities

The key objectives for 2015-2016 are:

- 98% of students achieve level 5 or higher in English at Key Stage 3
- Progress 8 Score +0.33*
- Attainment 8 Score 5.33 (C+)
- 77% of students achieve A*-C in GCSE English*
- 76% of students achieve A*-C in GCSE Maths*
- 73% of students achieve A*-C in GCSE English & Maths*

**BUSHEY ST JAMES TRUST
REPORT OF THE TRUSTEES (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015**

Objectives, Strategies and Activities (Continued)

- 56% of students achieve the English Baccalaureate
- To ensure that the performance of the Academy's children on free school meals, including those in care, continues to improve compared to results in previous years and ensure that in each subject area students aim to achieve or exceed their type D FFT target grades*
- Average Point Score per entry at A2 is 228 (195 last year)
- Average Point Score per student at A2 is 645
- A level Value Added Score improves in 2015 (0.06 in 2013)
- 36% A - B grades at AS*
- 45% A* - B grades at A2
- 51% A - C grades at AS
- 76% A* - C grades at A2
- 95% pass rate at AS (A - E grades)
- 98% pass rate at A2 (A* - E grades)
- Attendance target is 96%*

All objectives are Fisher Family Trust D targets and regarded as particularly challenging targets. * Denotes main essential aspirational objectives and the others are seen as desirable.

Little Reddings Academy:

- 87% of Year 6 pupils attaining level 4 or above in reading
- 27% of Year 6 pupils attaining Level 5 in reading
- 87% of Year 6 pupils attaining Level 4 or above in writing
- 11% of Year 6 attaining Level 5 in writing
- 90% of Year 6 pupils attaining Level 4 or above in Maths
- 16% of Year 6 pupils attaining Level 5 in Maths
- 90% of Year 6 pupils attaining Level 4 or above in Science
- 47% of Year 6 pupils attaining Level 5 in Science
- Attendance target is 97%

Public Benefit

The Trustees confirm that they have complied with their duty in Section 17 of the Charities Act 2011 to have due regards to public benefit guidance published by the Charity Commission for England and Wales. The Trustees consider that the Trust's aims are demonstrably to the public benefit.

STRATEGIC REPORT

Achievements and Performance

Bushey St James Trust was legally formed at midnight on the 3 January 2012. This Annual Report covers the Trust's fourth period of operation.

Bushey Meads Academy

There are 1,063 students on roll in September 2015. This is slightly up, by an additional 36 students, on last year's figure and should increase over the coming twelve months.

Little Reddings Primary Academy

There are 433 students on roll in September 2015

The Academy is committed to continual improvement which is achieved in a number of ways including: improvement planning, review meetings, continual professional development, lesson observations, performance management, learning walks, self-evaluation, data analysis and action planning.

**BUSHEY ST JAMES TRUST
REPORT OF THE TRUSTEES (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015**

Achievements and Performance (continued)

Tables 1a and 1b below provide a summary of Bushey Meads' performance in 2015 examination season. Table 2 summarises the Key Stage 1 results of Little Reddings:

Table 1a. Summary of GCSE examination results, (2015).

KEY STAGE 4 RESULTS	Bushey Meads School
Indicator (% or point score)	2015
5A*-C including English and Maths	60.1%
5A*-C any subject	73.6%
2A*-C in Science	67.7%
English Baccalaureate	36.2%
English A*- C	70.6%
Expected progress in English	63.5%
Maths A*-C	71.8%
Expected progress in Maths	68.7%
Capped Points Score (best 8)	328.1

Table 1b. Summary of A level examination results, (2015).

KEY STAGE 5 RESULTS	Bushey Meads School
Indicator (% or point score)	2015
3 A Levels A* - E	62%
2 A Levels A* - E	89.9%
AAB in Facilitating Subjects	1.3%
Average Point Score per Student	658.4%
Average Point Score per Entry	195.3

Table 2. Summary of the Little Reddings' performance in 2015.

KEY STAGE 1 RESULTS (%'s)	
Reading (Level 2 or above)	90% (target 93)
Writing	86.7% (target 93)
Maths	88.3% (target 96)
Science	96.7% (target 90)
Reading (Level 3)	36.7% (target 44)
Writing	15% (target 38)
Maths	28.3% (target 35)
Science	31.7%
Overall average point score	16

**BUSHEY ST JAMES TRUST
REPORT OF THE TRUSTEES (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015**

Achievements and Performance (continued)

KEY STAGE 2 RESULTS (%'s)	
Reading (Level 4 or above)	94 (target 90)
Writing (Level 4 or above)	92 (target 90)
Maths	100 (target 87)
Science	98 (target 93)
Reading (Level 5)	50 (target 66)
Writing (Level 5)	40 (10% at Level 6) (target 57)
Maths (Level 5 or above)	48 (3% at Level 6) (target 57)
Science (Level 5)	58 (target 60)
Overall points score for English	29.7 reading 29.0 writing EGPS 30.7
Overall points score in maths	30.5 (29 in 2012)

Going Concern

After consideration of the Trust's financial position, its financial plans (including projected student numbers), the demand for places and the broader environment, the Board of Trustees have a reasonable expectation that the Trust has and will continue to have adequate resources to enable it to be a sustainable going concern in 2015/16 and for the foreseeable future. For this reason the Trust continues to adopt the going concern principle in preparing its financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Key Financial Performance Indicators and Financial Review

The Trust received income into its Unrestricted Fund, Restricted General Funds and Fixed Asset Fund during 1 September to 31 August 2015.

Restricted General Fund

As an Academy Trust, the main funds 'General Annual Grant' were received through the Education Funding Agency (EFA) and recognised in the restricted general fund, the use of which is restricted to the Academy's charitable activities, its educational operations. These revenue grants, and the associated revenue expenditure made against them, are detailed in the Statement of Financial Activities (SOFA). General restricted fund income for the year was £7,700,577 expenditure against the fund was £7,659,285 giving a restricted revenue surplus of £41,292 before transfers to the restricted fixed asset fund.

Unrestricted Funds

Income received into the unrestricted fund was £583,345. Expenditure against the fund was £586,627 for the year, giving an unrestricted fund carried forward of £1,486,626. During the prior year the Trustees decided to set aside a designated reserve of £250,000 to fund the Bushey Meads' expansion project. The balance on this reserve as at 31 August 2015 of £132,391 is included within the unrestricted funds balance above.

Restricted Fixed Asset (Capital) Fund

The restricted fixed asset fund balance is reduced by an annual depreciation charge over the expected useful life of the assets in line with the Trust's depreciation policy.

Income received into the fund totalled £127,078 comprising Formula Capital Funding and a Condition Improvement grant.

The carried forward balance on the restricted fixed asset fund at the year end was £14,372,717.

**BUSHEY ST JAMES TRUST
REPORT OF THE TRUSTEES (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015**

Summary of Financial Performance

Total funds carried forward as at 31 August 2015 were £14,068,170 comprising of £1,486,626 on the unrestricted fund, £136,827 on restricted general funds, a deficit of £1,928,000 on the pension reserve and £14,372,717 on the restricted fixed asset fund.

Balance Sheet

The Academy's assets were predominantly used for providing education to students. Some assets were used by the local community, predominantly for sports, as part of the Trust's sports focus and strategic aims to promote health, pathways into the community and work, and community cohesion.

The net book value of the Trust's tangible fixed assets was £14,372,717 as at 31 August 2015. The movement in this account is detailed in note 15.

Cash in hand at 31 August 2015 was £2,104,979.

Financial and Risk Management Objectives and Policies

The objective of the Trust's Risk Management procedure is to identify the principal risks facing the Trust so that existing controls may be considered and further action taken if required, including external insurance.

The Board of Trustees has a comprehensive risk management process to identify and monitor the risks faced by the Trust.

The financial risks considered include: economic / financial uncertainty, liquidity and solvency, credit risk, the risk of fraud and compliance with financial / statutory requirements.

Principal Risks and Uncertainties

The Board of Trustees has a comprehensive risk management process to identify and monitor the risks faced by the Academy. The principal risks identified include governance, statutory compliance, finance, insurance, attainment, attendance, behaviour, health and safety, organisation, operations, safeguarding, reputation, HR and ICT. A risk rating mechanism is in place with greater emphasis directed towards those identified higher risk areas.

The Board of Trustees has considered the major risks to which the Trust is exposed, in particular those relating to governance, finance, insurance, attainment, attendance, behaviour, health and safety, organisation, operations, safeguarding, reputation, HR and ICT.

The Board of Trustees have implemented a number of systems to assess and reduce risks that the Trust faces, especially in operational areas in relation to teaching, health and safety (including school trips and the schools' minibuses), behaviour management, and in relation to the control of finances. They have introduced policies and systems for the recruitment, selection and vetting of new staff, continual professional development of staff, child protection, supervision of students around the Academy site and internal financial controls to minimise financial risk. Adequate insurance has been arranged where significant financial risk remains. The Trust has an effective system of internal financial control as explained in the Statement on Internal Control.

**BUSHEY ST JAMES TRUST
REPORT OF THE TRUSTEES (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015**

Reserves Policy

The Board of Trustees reviews the Trust's Reserve Policy annually. The Board of Trustees have determined that the appropriate level of free reserves should be the equivalent to £460,000 which represents one months gross salary costs.

The reason for this reserve is to provide sufficient working capital and to provide a cushion to deal with unexpected emergencies. In future years capital maintenance and development projects may be considered in the reserves policy review.

The Academy's free reserves as at 31 August 2015 were £1,486,626.

Investment Policy

Investment vehicles are approved by the Board of Trustees with the support of expert advice as necessary. The Trust has invested the majority of the closing balance from the predecessor school in a Three Month Fixed Investment Account at Lloyds Bank Plc. This is a low risk short term investment. The objective of this account is to hold the Academy's reserve at low risk.

The Trust does not have any endowment funds.

Plans for Future Periods

Bushey St James Trust strives to continually improve levels of attainment for all students, equipping them with the qualifications, skills and character to follow their chosen pathway, whether it be into further and higher education or employment.

The curriculum, the quality of teaching and learning and informed interventions are consistently reviewed to help every child achieve their full potential.

The Trust believes that developing the whole child is critical to improving levels of attainment and in developing broader skills and character that will develop students' commitment to lifelong learning and enrich their quality of life. To this extent, the Trust strives to provide exceptional behaviour and attendance management support to its students and to offer a broad range of extra-curricular activities.

Little Reddings Academy – In September 2015 an additional 30 places will be required for Reception, a temporary mobile building has been provide by Hertfordshire County Council (HCC) to accommodate these places.

Bushey Meads Academy has been approved by Hertfordshire County Council (HCC) to expand its admission number by 30 places. This is due to an increase in the school age population in the Watford area. This will take place in September 2015. HCC commissioned a report on the Bushey Meads School site and recommended areas requiring expansion. Bushey Meads commissioned its own report and conducted its own internal review of capacity, which it was agreed were feasible.

A grant of £3.55 million has been allocated for this expansion. Planning permission has now been granted for Phase 1 works, this will give the Academy an additional three classrooms and 51 parking spaces. Building works will commence in March 2016 with an expected completion of September 2016.

**BUSHEY ST JAMES TRUST
REPORT OF THE TRUSTEES (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015**

Funds held as Custodian Trustee on behalf of others

Neither Bushey St James Trust Ltd nor the Board of Trustees are acting as third party custodial Trustees.

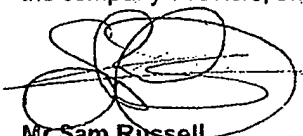
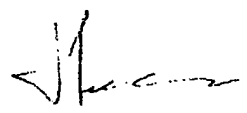
Auditor

Insofar as the trustees are aware:

- There is no relevant audit information of which the Charitable Company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves ware of any relevant audit information and to stablist that the auditor is aware of that information.

The current auditors, Crowe Clark Whitehill LLP, are willing to continue in office and a resolution to appoint them will be proposed at the Annual General Meeting.

The Trustees' report, incorporating a Strategic Report, approved by order of the Board of Trustees, as the company directors, on 10 December 2015 and signed on the board's behalf by:


Mr Sam Russell
Chair of the Board of Trustees
Mr Jeremy Turner
Accounting Officer and Executive Principal

BUSHEY ST JAMES TRUST
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

Scope of Responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that Bushey St James Trust has effective and appropriate system of control, financial and otherwise. However such systems are 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 Trustees have delegated day-to-day responsibility to the Headteachers. The Executive Principal of Bushey Meads School is the Accounting Officer, 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 Bushey St James Trust and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Report of the Trustees and in the Statement of Trustees' Responsibilities. The Bushey St James Trust has formally met 3 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of a possible
Samuel Russell	3	3
Dinah Hoeksma	3	3
Jonathan Davies	3	4
Richard Abrahams	3	3
David Poultney	3	3
Jeremy Turner	3	3
Carol Raymond	3	3

The Finance and Human Resource responsibilities of the Trust are controlled by the Board of Trustees, through each Academy's Local Governing Body.

Review of Value for Money

As Accounting officer the Executive Principal 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 Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the Academy Trust has delivered improved value for money during the year by way of the following:

The Academy has worked hard throughout the previous academic year to ensure that best value is achieved through educational outcomes improving with the same resources. This has centred around a number of key areas including a major review of the school curriculum to ensure that more students are offered and placed on courses of their choice throughout Key Stages 3, 4 and 5. In addition, increased time has been provided for English and Maths provision within the school to drive up standards in these areas and, with English in particular, underpin improvements across all subjects.

Staff timetables have been reviewed and the Academies have ensured that all staff are teaching appropriate loadings and there is little 'slack' on the timetable – particularly at Key Stage 5. Where staff have left the Academy they have not simply been replaced on a 'like for like' basis but the Academies reviewed both efficiencies and need in all cases.

BUSHEY ST JAMES TRUST
GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

In addition clear and efficient roles and responsibilities of all senior leaders and further streamlining of the way they interface with the Governing Body and Trust Board has been implemented. Clear job descriptions and person specifications are being rolled out to all new posts in the school.

Greater efficiencies of practice have been sort in all areas of school life and this has been most notable in a reorganisation of the pastoral support teams in the school to increase flexibility, encourage a greater sharing of good practice and improve responses to student need.

An increased emphasis on marketing and recruitment to the Sixth Form was undertaken and the numbers of students joining or staying on at the school at this level has increased slightly overall. There has also been a more flexible approach to ensuring access to IT – thus increasing efficiency and best value in this area for all students.

Space around the Academies has been continually reviewed and improved; at Bushey Meads the library has been transformed into a multi-purpose Learning Resource Centre and new storage areas and offices have been provided in key areas. Design and technology and the music, MFL, Learning Support and Maths faculty/department areas as well as the Academy restaurant and the Sixth Form Study Centre are areas of the Academy that have been greatly enhanced at minimal cost.

A major refurbishment of the Academy's main hall has been undertaken and this space has been transformed into a state of the art performance venue and also doubles up as a dance teaching space.

Each Academy's local Governing Body and the Trust Board have strong oversight of the financial management of the budget. Each Academy's Finance and Resources Committee meet regularly to review the financial position, to receive reports and to challenge decisions. Our external auditors review our financial processes, with the role of the Responsible Officer to test our internal controls across the Trust.

The levels of delegation on spending proposals ensure we take the necessary steps to achieve best value. The local full Governing Body recommends the budget for approval by the Trust Board each year and is mindful of the need to balance expenditure against income to ensure their school has a sustainable future.

The Central Finance team are always striving to find Best Value in purchasing and with an enhanced "buying power" across the Trust has made some notable savings; together with the opportunity to make easy comparison on suppliers and service.

Next Steps: To further develop the centralising of support services to improve effectiveness and efficiencies of scale.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust 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 Bushey St James Academy Trust for the period from 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Governing Body has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees are of the view that there is a formal on-going process for identifying, evaluating and managing the school's significant risks that has been in place for the period from 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

BUSHEY ST JAMES TRUST
GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2015

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body;
- regular reviews by the Finance and Personnel Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing 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 Mrs R J Parker, a Chartered Accountant, as responsible officer (RO).

The RO's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a quarterly basis the RO reports to the Board of Trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

Review of Effectiveness

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Board of Trustees and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 11 December 2014 and signed on its behalf by:



SAM RUSSELL
Chairman



JEREMY TURNER
Accounting Officer and Executive Principal

BUSHEY ST JAMES TRUST
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2015

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

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

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



JEREMY TURNER
Executive Principal and Accounting Officer

Date: 11 December 2015

**BUSHEY ST JAMES TRUST
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2015**

The Trustees (who act as Governors of Bushey St James Trust and are also Directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with the Annual Accounts Direction published by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company 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 in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with 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 requirement both of propriety and of good financial management. They are also responsible for ensuring grants received from the EFA/DfE have been applied for the purposes intended.

The 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 Trustees on 11 December 2015 and signed on its behalf by:


SAM RUSSELL
Chair

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BUSHEY ST JAMES TRUST FOR THE YEAR ENDED 31 AUGUST 2015

We have audited the financial statements of Bushey St James Trust for the year ended 31 August 2015 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes numbered 1 to 28.

The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

Respective responsibilities of Trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Charitable Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Report including the Strategic Report and any other surround information to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BUSHEY ST JAMES TRUST
FOR THE YEAR ENDED 31 AUGUST 2015 (CONTINUED)**

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 August 2015 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, including the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept; or
- 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.

Guy Biggin

Senior Statutory Auditor
For and on behalf of
Crowe Clark Whitehill LLP

Statutory Auditor
Carrick House
Lypiatt Road
Cheltenham
Gloucestershire
GL50 2QJ

Date: 18 December 2015

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY TO THE GOVERNING BODY OF BUSHEY ST JAMES TRUST AND THE EDUCATION FUNDING AGENCY FOR THE YEAR ENDED 31 AUGUST 2015

In accordance with the terms of our engagement letter dated 25 January 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Bushey St James Trust during the period 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of the Bushey St James Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Bushey St James Trust's funding agreement with the Secretary of State for Education dated 23 November 2011 and the Academies Financial Handbook, extant from 1 September 2012, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy Trust's income and expenditure. The work undertaken to draw to our conclusion includes a review of the design and implementation of the Academy Trust's internal controls and review processes on regularity, supported by detailed tests on samples of costs incurred by the Academy Trust and specific transactions identified from our review.

**INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY TO THE
GOVERNING BODY OF BUSHEY ST JAMES TRUST AND THE EDUCATION
FUNDING AGENCY
FOR THE YEAR ENDED 31 AUGUST 2015**

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 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Crowe Clark Whitehill LLP

Statutory Auditor
Carrick House
Lypiatt Road
Cheltenham
Gloucestershire
GL50 2QJ

Date: 18 December 2015

BUSHEY ST JAMES TRUST
STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an Income and Expenditure Account and Statement of Total Recognised Gains and Losses)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted General Fund £	Restricted General Fund £	Restricted Fixed Asset Fund £	Total 2015 £	Total 2014 £
Incoming resources						
Incoming resources from generated funds:						
• Voluntary income	3	30,377	-	-	30,377	27,328
• Non-ancillary trading income	4	35,863	-	-	35,863	47,640
• Investment income	5	11,472	-	-	11,472	6,892
Incoming resources from charitable activities						
Funding for educational operations	6	65,636	7,700,577	127,078	7,893,291	9,004,981
Catering income		187,444	-	-	187,444	178,781
Other income	7	<u>252,553</u>	<u>-</u>	<u>-</u>	<u>252,553</u>	<u>181,745</u>
Total incoming resources		<u>583,345</u>	<u>7,700,577</u>	<u>127,078</u>	<u>8,411,000</u>	<u>9,447,367</u>
Resources expended						
Charitable activities						
Academy's educational operations	10	174,974	7,659,285	430,877	8,265,136	7,462,474
Catering costs	8	324,359	-	-	324,359	260,085
Governance costs	11	<u>87,294</u>	<u>-</u>	<u>-</u>	<u>87,294</u>	<u>100,648</u>
Total resources expended	8	<u>586,627</u>	<u>7,659,285</u>	<u>430,877</u>	<u>8,676,789</u>	<u>7,823,207</u>
Net incoming resources before transfers		(3,282)	41,292	(303,799)	(265,789)	1,624,160
Gross transfers between funds	18	<u>(153,536)</u>	<u>-</u>	<u>153,536</u>	<u>-</u>	<u>-</u>
Net income / (expenditure) for the year		(156,818)	41,292	(150,263)	(265,789)	1,624,160
Other recognised gains and losses						
Actuarial losses on defined benefit pension schemes		<u>-</u>	<u>(41,000)</u>	<u>-</u>	<u>(41,000)</u>	<u>(240,000)</u>
Net movement in funds		<u>(156,818)</u>	<u>292</u>	<u>(150,263)</u>	<u>(306,789)</u>	<u>1,384,160</u>
Reconciliation of funds						
Total funds brought forward at 1 September 2014	18	<u>1,643,444</u>	<u>(1,791,465)</u>	<u>14,522,980</u>	<u>14,374,959</u>	<u>12,990,799</u>
Total funds carried forward at 31 August 2015	18	<u>1,486,626</u>	<u>(1,791,173)</u>	<u>14,372,717</u>	<u>14,068,170</u>	<u>14,374,959</u>

All of the Academy's activities derive from continuing operations during the above two financial periods.
The notes on pages 23 to 39 form part of these financial statements.

COMPANY NUMBER: 07895684
BUSHEY ST JAMES TRUST
BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	2015 £	2015 £	2014 £	2014 £
Fixed assets					
Tangible assets	15		14,372,717		13,767,066
Current assets					
Stock		7,731		20,501	
Debtors	16	360,874		1,351,036	
Cash at bank and in hand		<u>2,104,979</u>		<u>1,616,890</u>	
		2,473,584		2,988,427	
Liabilities					
Creditors: amounts falling due within one year	17	<u>(633,321)</u>		<u>(553,534)</u>	
Net current assets			1,840,263		2,434,893
Total assets less current liabilities			<u>16,212,980</u>		<u>16,201,959</u>
Creditors: amounts falling due after more than one year	17		<u>(216,810)</u>		-
Net assets excluding pension liability			<u>15,996,170</u>		<u>16,201,959</u>
Pension scheme liability	28		<u>(1,928,000)</u>		<u>(1,827,000)</u>
Net assets including pension liability			<u>14,068,170</u>		<u>14,374,959</u>
Restricted funds					
Pension reserve		(1,928,000)		(1,827,000)	
Fixed asset fund		14,372,717		14,522,980	
Other restricted fund		<u>136,827</u>		<u>35,535</u>	
Total restricted funds			<u>12,581,544</u>		<u>12,731,515</u>
Unrestricted funds					
General funds		1,354,235		1,393,444	
Designated fund – expansion project		<u>132,391</u>		<u>250,000</u>	
Total unrestricted funds			<u>1,486,626</u>		<u>1,643,444</u>
Total funds	18		<u>14,068,170</u>		<u>14,374,959</u>

The financial statements on pages 20 to 39 were approved by the Trustees and authorised for issue on 11 December 2015 and are signed on their behalf by:



.....
Sam Russell
Chair of Trustees

The notes on pages 23 to 39 form part of these financial statements.

**BUSHEY ST JAMES TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

	Note	2015 £	2014 £
Net cashflow from operating activities	23	1,392,371	(179,832)
Returns on investments and servicing of finance	24	11,472	6,892
Capital expenditure and financial investment	25	<u>(915,754)</u>	<u>423,529</u>
Increase in cash in the period		<u>488,089</u>	<u>250,589</u>
Reconciliation of net cash flow to movement in net funds			
Net funds at 1 September 2014		<u>1,616,890</u>	<u>1,366,301</u>
Net funds at 31 August 2015		<u>2,104,979</u>	<u>1,616,890</u>

The notes on pages 23 to 39 form part of these financial statements

**BUSHEY ST JAMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by the EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, is set out below.

Going Concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. The Trustees have a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements.

Incoming Resources

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

Grants receivable

Grants receivable 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 year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable 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.

Donations

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

Other income

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

Interest receivable is included within the Statement of Financial Activities on a receivable basis.

Donated Services and gifts in kind

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

BUSHEY ST JAMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

Resources Expended

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

Charitable activities

These are costs incurred by the Academy Trust's educational operations.

Governance costs

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

Costs of generating funds

Costs of generating funds are costs incurred in attracting voluntary income and those incurred in trading activities that raise funds.

Catering costs comprise the provision of a catering facility within the Academy Trust.

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

Assets costing £500 or more are capitalised as tangible fixed assets 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 the expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy. 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 each asset on a straight line basis over its expected useful lives, as follows:

Land and buildings	2% - 10%
Fixtures and fittings	10% - 33%
Motor vehicles	20%
Computer equipment	20-33%
Assets under construction	No depreciation charged until the asset is brought into use.

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

Stock

Stock is valued at the lower of cost or net realisable value.

Leased Assets

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

BUSHEY ST JAMES TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

Taxation

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

Pension Benefits

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

Teachers' Pension Scheme

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

Local Government Pension Scheme

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

Fund Accounting

Unrestricted funds are those funds which may be used towards meeting the objectives of the Academy Trust at the discretion of the Trustees. Separate designated funds are used to ring fence unrestricted funds for specific projects as determined by the Trustees. The purpose and use of the designated fund is set out in note 18 to the financial statements.

Restricted funds are funds which are to be used in accordance with the specific restrictions imposed by donors or which have been raised by the Academy Trust for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of restricted funds is set out in the notes to the financial statements.

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

Recognition of Liabilities

Liabilities are recognised when either a constructive or legal obligation exists.

Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from EFA. Payments received from EFA and subsequent disbursements to students are excluded from the Statement of Financial

BUSHEY ST JAMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

Agency arrangements (continued)

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 27.

2. GENERAL ANNUAL GRANT (GAG)

Under the funding agreement with the Secretary of State the Academy Trust was subject to limits at 31 August 2015 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of the GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The Academy Trust has not exceeded these limits during the year ended 31 August 2015.

3. VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Donations	<u>30,377</u>	<u>-</u>	<u>30,377</u>	<u>27,328</u>

4. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Hire of facilities	31,808	-	31,808	39,987
Trading income	<u>4,055</u>	<u>-</u>	<u>4,055</u>	<u>7,653</u>
	<u>35,863</u>	<u>-</u>	<u>35,863</u>	<u>47,640</u>

5. INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Bank interest	<u>11,472</u>	<u>-</u>	<u>11,472</u>	<u>6,892</u>

BUSHEY ST JAMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

6. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
DfE / EFA capital grant				
Other capital grants	-	97,236	97,236	246,000
Devolved Formula grant	-	29,842	29,842	29,539
	-	127,078	127,078	275,539
DfE / EFA revenue grants				
General Annual Grant (GAG) (note 2)	-	5,833,250	5,833,250	7,104,889
Other DfE / EFA grants	-	1,730,544	1,730,544	661,343
	-	7,563,794	7,563,794	7,766,232
Other Government grants				
Capital grants	-	-	-	862,650
Other Government grants	-	136,783	136,783	21,966
	-	136,783	136,783	884,616
Other non-government income				
Academy funds	65,636	-	65,636	78,594
	65,636	-	65,636	78,594
	65,636	7,827,655	7,893,291	9,004,981

7. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES – OTHER INCOME

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
School trips	139,020	-	139,020	82,306
Other non trading income	113,533	-	113,533	99,439
	<u>252,553</u>	<u>-</u>	<u>252,553</u>	<u>181,745</u>

8. TOTAL RESOURCES EXPENDED

	Staff costs £	Premises £	Other costs £	Total 2015 £	Total 2014 £
Costs of generating funds					
Catering costs	-	-	324,359	324,359	260,085
Academy's educational operations					
Direct costs	5,440,487	430,877	688,132	6,559,496	5,808,422
Allocated support costs	839,484	-	866,156	1,705,640	1,654,052
Governance costs including allocated support costs	-	-	87,294	87,294	100,648
Total	<u>6,279,971</u>	<u>430,877</u>	<u>1,965,941</u>	<u>8,676,789</u>	<u>7,823,207</u>

BUSHEY ST JAMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

9. INCOMING / (OUTGOING) RESOURCES FOR THE YEAR INCLUDE:

	2015	2014
	£	£
Operating leases- plant and machinery	17,429	16,550
Auditor's remuneration		
- audit fees	9,360	10,800
- EFA pilot audit	-	18,960
- other services	1,660	10,895

10. ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
Direct costs				
Teaching and educational support staff costs	-	5,440,487	5,440,487	4,972,129
Depreciation	-	430,877	430,877	337,323
Educational supplies	-	111,833	111,833	117,451
Educational consultancy	-	1,378	1,378	-
Staff development	-	71,811	71,811	68,796
Examination fees	-	102,607	102,607	105,054
Educational activities	42,959	-	42,959	50,513
Other direct costs	-	357,544	357,544	157,156
	<u>42,959</u>	<u>6,516,537</u>	<u>6,559,496</u>	<u>5,808,422</u>
Allocated support costs				
Support staff costs	-	839,484	839,484	782,822
Recruitment and support	-	40,010	40,010	87,269
Maintenance of premises and equipment	-	195,620	195,620	159,866
Cleaning	-	129,950	129,950	123,636
Rent & rates	-	25,153	25,153	24,652
Security and transport	-	25,649	25,649	27,253
School trips	132,015	-	132,015	107,391
Insurance	-	38,752	38,752	82,865
Other support costs	-	279,007	279,007	258,298
	<u>132,015</u>	<u>1,573,625</u>	<u>1,705,640</u>	<u>1,654,052</u>
	<u>174,974</u>	<u>8,090,162</u>	<u>8,265,136</u>	<u>7,462,474</u>

BUSHEY ST JAMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

11. GOVERNANCE COSTS

	2015 £	2014 £
Legal and Professional fees	76,274	59,993
Auditors remuneration		
Audit of the financial statements	9,360	10,800
EFA pilot audit	-	18,960
Non-audit services	<u>1,660</u>	<u>10,895</u>
	<u>87,294</u>	<u>100,648</u>

12. STAFF COSTS

	2015 £	2014 £
Staff costs during the period were:		
Wages and salaries	5,124,369	4,706,354
Social security costs	359,022	348,682
Pension costs	<u>796,580</u>	<u>699,915</u>
	<u>6,279,971</u>	<u>5,754,951</u>

Included in wages and salaries is one non-statutory/non-contractual severance payment totalling £10,800 (2014 – £Nil).

	2015 No.	2014 No.
Charitable Activities		
Teachers	74	72
Administration and support	90	69
Management	<u>8</u>	<u>7</u>
	<u>172</u>	<u>148</u>

	2015 No.	2014 No.
The number of employees whose emoluments fell within the following bands was:		
£60,000 - £70,000	2	-
£70,001 - £80,000	1	1
£80,001 - £90,000	-	1
£90,001 - £100,000	<u>1</u>	<u>-</u>
	<u>4</u>	<u>2</u>

Four (2014: Two) of the above employees participated in the Teachers' Pension Scheme. During the period ended 31 August 2015, pension contributions for these members of staff amounted to £50,220 (2014: £19,752).

**BUSHEY ST JAMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

13. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

The Head Teachers and staff Trustees only receive remuneration in respect of services they provide undertaking the roles of the Head Teacher and staff and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses from the Academy Trust in respect of their role as Trustee.

The value of Trustees' remuneration was as follows:

Jeremy Turner £115,000 - £120,000 (2014: £Nil)

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for this member of staff amounted to £19,049 (2014: £Nil)

During the period ended 31 August 2015, no travel and subsistence expenses were reimbursed to Governors (2014: £Nil was reimbursed to two Governors)

Other related party transactions involving Trustees are set out in note 26.

14. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £25,000,000 on any one claim. The cost for the period ended 31 August 2015 of specific Trustee and officer insurance cannot be separately distinguished from the total cost of the school's insurance.

The cost of insurance is included in total insurance costs.

BUSHEY ST JAMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

15. TANGIBLE FIXED ASSETS

	Land And Buildings	Assets under Construction	Fixtures and Fittings	Computer Equipment	Motor Vehicle	Total
	£	£	£	£	£	£
Cost						
At 1 September 2014	13,899,228	106,735	111,386	343,975	32,138	14,493,462
Additions	399,723	117,610	447,346	78,153	-	1,042,832
Disposals	-	-	-	(9,387)	-	(9,387)
At 31 August 2015	<u>14,298,951</u>	<u>224,345</u>	<u>558,732</u>	<u>412,741</u>	<u>32,138</u>	<u>15,526,907</u>
Depreciation						
At 1 September 2014	589,601	-	9,063	114,876	12,856	726,396
Charged in period	291,403	-	33,178	99,868	6,428	430,877
Eliminated on disposal	-	-	-	(3,083)	-	(3,083)
At 31 August 2015	<u>881,004</u>	<u>-</u>	<u>42,241</u>	<u>211,661</u>	<u>19,284</u>	<u>1,154,190</u>
Net book value						
At 31 August 2015	<u>13,417,947</u>	<u>224,345</u>	<u>516,491</u>	<u>201,080</u>	<u>12,854</u>	<u>14,372,717</u>
At 31 August 2014	<u>13,309,627</u>	<u>106,736</u>	<u>102,323</u>	<u>229,099</u>	<u>19,282</u>	<u>13,767,066</u>

Included within fixed assets is recognition of the value of the land and buildings transferred to the Academy Trust from its predecessor form as a Foundation School. The value recognised is in accordance with a formal valuation that took place on 31 August 2012, totalling £12,823,785.

16. DEBTORS

	2015 £	2014 £
Trade debtors	1,023	21,227
Other debtors	112,591	168,643
Prepayments	134,556	99,147
Accrued income	<u>112,704</u>	<u>1,062,019</u>
	<u>360,874</u>	<u>1,351,036</u>

17. CREDITORS: amounts falling due within one year

	2015 £	2014 £
Trade creditors	3,456	96,635
Other creditors	24,011	-
Taxation and social security	170,723	160,157
Accruals	283,947	165,973
Deferred income	<u>151,184</u>	<u>130,769</u>
	<u>633,321</u>	<u>553,534</u>

Included within other creditors is a Salix loan of £14,454 from the EFA repayable over a period of 8 years. No interest is charged on this loan.

BUSHEY ST JAMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

17. CREDITORS (continued): amounts falling due after one year

	2015 £	2014 £
Other creditors	<u>216,810</u>	<u>-</u>

Included within other creditors is a Salix loan of £216,810 from the EFA to be repayable over eight years.N

Deferred income	2015 £
Deferred income at 1 September 2014	130,769
Resources deferred in the year	151,184
Amounts released from previous years	<u>(130,769)</u>
Deferred income at 31 August 2015	<u>151,184</u>

At the balance sheet date, the Academy Trust was holding funds received in advance for school trips and after school clubs, as well as EFA GAG Rates Relief funding and Devolved Formula capital funding received in advance of the 2015/16 financial year.

18. STATEMENT OF FUNDS

	<i>Balance at 1 September 2014</i> £	Incoming Resources £	Resources expended £	Gains, Losses and Transfers £	Balance at 31 August 2015 £
Restricted General Funds					
General Annual Grant (GAG)	35,535	5,833,250	(5,731,958)	-	136,827
Pupil premium	-	327,963	(327,963)	-	-
Other DFE/EFA grants	-	1,402,581	(1,402,581)	-	-
Other government grants	-	136,783	(136,783)	-	-
Pension reserve	<u>(1,827,000)</u>	-	(60,000)	<u>(41,000)</u>	<u>(1,928,000)</u>
	<u>(1,791,465)</u>	<u>7,700,577</u>	<u>(7,659,285)</u>	<u>(41,000)</u>	<u>(1,791,173)</u>
Restricted Fixed Asset Fund					
Donations	12,945,200	-	(430,877)	153,536	12,667,859
Capital grants	<u>1,577,780</u>	<u>127,078</u>	-	-	<u>1,704,858</u>
	<u>14,522,980</u>	<u>127,078</u>	<u>(430,877)</u>	<u>153,536</u>	<u>14,372,717</u>
Unrestricted Funds					
Unrestricted funds – general	1,393,444	583,345	(586,627)	(35,927)	1,354,235
Designated fund – expansion project	<u>250,000</u>	-	-	<u>(117,609)</u>	<u>132,391</u>
	<u>1,643,444</u>	<u>583,345</u>	<u>(586,627)</u>	<u>(153,536)</u>	<u>1,486,626</u>
Total Funds	<u>14,374,959</u>	<u>8,411,000</u>	<u>(8,676,789)</u>	<u>(41,000)</u>	<u>14,068,170</u>

BUSHEY ST JAMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

18. STATEMENT OF FUNDS (continued)

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

Restricted General Funds - EFA grants (including GAG), which must be used to meet the cost of running Bushey St James Trust.

Restricted Other Funds - represents donations and fundraising income generated by the School, which is for restricted use as stipulated by the donor.

Unrestricted Funds - represents income generated by the School (such as lettings and hire of facilities) and any other donations or investment income, which is not restricted for any specific purpose and can be spent as determined by the Governing Body.

A designated fund of £250,000 had been set aside to be used towards the school expansion project which commenced in January 2015. At the year end there were assets under construction relating to this project totalling £117,609.

Transfers between funds relate to amounts expended on fixed assets from the restricted general fund which have been used for the acquisition of fixed assets during the period.

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2015 are represented by:

	Unrestricted Fund £	Restricted General Fund £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	14,372,717	14,372,717
Current assets	1,486,626	986,958	-	2,473,584
Current liabilities	-	(633,321)	-	(633,321)
Non-current liabilities	-	(216,810)	-	(216,810)
Pension scheme liability	-	(1,928,000)	-	(1,928,000)
Total net assets	<u>1,486,626</u>	<u>(1,791,173)</u>	<u>14,372,717</u>	<u>14,068,170</u>

20. CAPITAL COMMITMENTS

At 31 August 2015 there were total capital commitments of £862.50 (2014: £3,755,538).

21. FINANCIAL COMMITMENTS

Operating Leases

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

	2015 £	2014 £
Other		
Expiring within one year	7,478	4,665
Expiring within two and five years	9,951	11,787
Expiring in over five years	-	358
	<u>17,429</u>	<u>16,810</u>

BUSHEY ST JAMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

22. MEMBERS' LIABILITIES

Every member of the Charitable Company undertakes such amount as may be required (such amount not exceeding £10) to the assets of the Company in the event of it being wound up while he or she is a member or within one period after he or she ceases to be a member, for the payment of the Trust's debts and liabilities before he or she ceases to be a member and of the costs, charges and expenses of winding up and for the adjustment of the rights of contributions amongst themselves.

23. RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net income	(265,789)	1,624,160
Depreciation (note 15)	430,877	37,323
Loss on disposal	6,304	-
Bank interest (note 5)	(11,472)	(6,892)
Capital grants	(127,078)	(1,138,189)
FRS 17 pension cost less contributions payable (note 28)	20,000	10,000
FRS 17 pension finance income (note 28)	40,000	54,000
Decrease/(increase) in debtors	990,162	(1,109,399)
Increase in creditors	296,597	67,814
Decrease/(increase) in stocks	12,770	(18,649)
Net cash inflow/(outflow) from operating activities	<u>1,392,371</u>	<u>(179,832)</u>

24. RETURNS ON INVESTMENT AND SERVICING OF FINANCE

	2015 £	2014 £
Interest received	<u>11,472</u>	<u>6,892</u>
Net cash inflow from returns on investment and servicing of finance	<u>11,472</u>	<u>6,892</u>

25. CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

	2015 £	2014 £
Purchase of tangible fixed assets	(1,042,832)	(714,660)
Capital grants received	<u>127,078</u>	<u>1,138,189</u>
Net cash (outflow)/inflow from capital expenditure & financial investment	<u>(915,754)</u>	<u>423,529</u>

**BUSHEY ST JAMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

26. RELATED PARTY TRANSACTIONS

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

27. AGENCY ARRANGEMENTS

The Academy Trust distributes 16-19 bursary funds to students as an agent for EFA. In the accounting period ending 31 August 2015 the trust received £16,757 and disbursed £7,200 from the fund. An amount of £9,557 is included in other creditors relating to undistributed funds that are repayable to EFA.

28. PENSIONS AND SIMILAR OBLIGATIONS

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

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

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The pension charge for the year includes contributions payable to the TPS of £738,666 (2014- £593,096), at the year-end £62,130 (2014- £58,574) was accrued in respect of the contributions to this scheme.

Valuation of the Teachers' Pension Scheme

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

**BUSHEY ST JAMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
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28. PENSIONS AND SIMILAR OBLIGATIONS (continued)

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

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £381,000 (2014 £276,000), of which employer's contributions totalled £309,000 (2014: £217,000) and employees' contributions totalled £72,000 (2014: £59,000). The agreed contribution rates for future years are 19.6 per cent for employers with a deficit contribution of £nil per annum and from 6.5 to 7.5 per cent for employees depending on salary.

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.

**BUSHEY ST JAMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
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28. PENSIONS AND SIMILAR OBLIGATIONS (continued)

Principal Actuarial Assumptions	2015	2014
Rate of increase in salaries	4.0%	3.9%
Rate of increase of pensions in payment / inflation	2.6%	2.6%
Discount rate for scheme liabilities	3.7%	3.7%
Expected return on scheme assets at 31 August	3.7%	5.4%

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

	2015	2014
Retiring today - males	22.3 years	22.3 years
Retiring today - females	24.5 years	24.5 years
Retiring in 20 years - males	24.3 years	24.3 years
Retiring in 20 years - females	26.7 years	26.7 years

The Academy Trust's share of the assets and obligations in the scheme and the expected rate of return were:

	Expected rate of return 31 August 2015	Plan assets at 31 August 2015	Expected rate of return 31 August 2014	Plan assets at 31 August 2014
	%	£'000	%	£'000
Equities	3.7	1,132	6.3	943
Government bonds	3.7	493	3.3	324
Property	3.7	128	4.5	98
Cash	3.7	73	3.3	<u>42</u>
Total market value of assets		1,826		1,407
Present value of scheme liabilities		(3,754)		(3,234)
Deficit in the scheme		<u>(1,928)</u>		<u>(1,827)</u>

To develop the expected long term rate of return on assets assumption, the employer considered the current level of expected returns on risk free investments (primarily government bonds), the historical level of the risk premium associated with the other asset classes in which the portfolio is invested and the expectations for the future returns of each asset class. The expected return of each asset class was then weighted based on the asset allocation to develop the expected long term rate of return on assets assumption for the portfolio. This resulted in the selection of the above assumptions.

The actual return on scheme assets was £74,000 (2014: £158,000).

BUSHEY ST JAMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

28. PENSIONS AND SIMILAR OBLIGATIONS (continued)

The amounts included within the Statement of Financial Activities would be as follows:

	2015 £'000	2014 £'000
Current service cost	329	227
Interest cost	126	129
Expected return on plan assets	(86)	(75)
Employer contributions	<u>(309)</u>	<u>(217)</u>
Total pension cost	60	64
Actuarial loss	<u>41</u>	<u>240</u>
Total amount charged to SOFA	<u>101</u>	<u>304</u>
Analysis of pension finance income/(costs)		
Expected return on scheme assets	86	75
Interest on pension liabilities	<u>(126)</u>	<u>(129)</u>
Pension finance costs	<u>(40)</u>	<u>(54)</u>

The actuarial gains and losses for the current period are recognised in the Statement of Financial Activities. The cumulative amount of gains and losses recognised in the Statement of Financial Activities since the adoption of FRS 17 is a £233,000 loss (2014: £192,000 loss).

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

	2015 £'000	2014 £'000
At 1 September 2014	3,234	2,686
Current service cost	329	227
Interest cost	126	129
Employee contributions	72	59
Estimated benefits paid	(36)	(42)
Actuarial loss	<u>29</u>	<u>175</u>
At 31 August 2015	<u>3,754</u>	<u>3,234</u>

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

	2015 £'000	2014 £'000
At 1 September 2014	1,407	1,163
Expected return on assets	86	75
Actuarial (loss)	(12)	(65)
Estimated benefits paid	(36)	(42)
Employer contributions	309	217
Employee contributions	<u>72</u>	<u>59</u>
At 31 August 2015	<u>1,826</u>	<u>1,407</u>

**BUSHEY ST JAMES TRUST
NOTES TO THE FINANCIAL STATEMENTS
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28. PENSIONS AND SIMILAR OBLIGATIONS (continued)

The estimated value of employer contributions for the year ended 31 August 2016 is £302,000.

As described above the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor School and the Academy Trust at the Balance Sheet date.

The three-year history of experience adjustments is as follows:

	2015 £'000	2014 £'000	2013 £'000
Present value of defined benefit obligations	(3,754)	(3,234)	(2,686)
Fair value of share of scheme assets	1,826	1,407	1,163
Deficit in the scheme	<u>(1,928)</u>	<u>(1,827)</u>	<u>(1,523)</u>
Experience adjustments on share of scheme assets	(12)	(65)	83
Experience adjustments on scheme liabilities	6	(42)	-