

Registered number: 08343491

THE BRIDGE INTEGRATED LEARNING SPACE LIMITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 AUGUST 2015

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THE BRIDGE INTEGRATED LEARNING SPACE LIMITED
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Academy, its Trustees and Advisers	1
Trustees' Report	2 - 5
Governance Statement	6 - 7
Statement on Regularity, Propriety and Compliance	8
Trustees' Responsibilities Statement	9
Independent Auditors' Report	10 - 11
Independent Reporting Accountant's Assurance Report on Regularity	12 - 13
Statement of Financial Activities	14
Balance Sheet	15
Cash Flow Statement	16
Notes to the Financial Statements	17 - 28

THE BRIDGE INTEGRATED LEARNING SPACE LIMITED
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS, TRUSTEES AND
ADVISERS
FOR THE PERIOD ENDED 31 AUGUST 2015**

Members	Ms S Crowther Mr J Skerritt Ms H Rayfield
Trustees	Ms H Rayfield Ms S Crowther Mr J Skerritt Ms P Barratt, Executive Head Teacher
Registered and principal office	251 Hungerford Road London N7 9LD
Accounting Officer	Ms P Barratt
Company registered number	08343491
Independent Auditors	Price Bailey LLP Chartered Accountants Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT
Bankers	Lloyds Bank PLC London EC2R 8AU

THE BRIDGE INTEGRATED LEARNING SPACE LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 AUGUST 2015

The Trustees present their Annual Report together with the financial statements and Auditors' report of The Bridge Integrated Learning Space (the Trust, the Academy or the Charitable Company) for the year ended 31 August 2015. The Annual Report serves the purpose of both a Trustees' Report, and a Directors' Report under company law.

The Charitable Company operates an academy for pupils aged 7-19 serving the catchment area of North London. It has a pupil capacity of 15 and opened its doors to students in January 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are its primary governing documents. The Trustees of the Charitable Company are also the Directors for the purposes of company law. The terms Trustee and Director are interchangeable. The term Governor relates to a member of a Local Governing Body (LGB). The Charitable Company is also known as The Bridge ILS (The School).

Details of the Trustees who served throughout the year are included in the Reference and Administrative Details section 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.

Trustee and Officers' Indemnities

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees, Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim and details of the costs are disclosed in Note 10 of the accounts

Method of recruitment and appointment or election of Trustees

The Trustees were key personnel associated with the sponsoring school and supported the bid and process of setting up the school.

Policies and Procedures adopted for the induction and training of Trustees

The Trustees have all held posts on Boards prior to these roles. Training is a standing item at meetings. It is personalised to each individual's needs.

Organisational Structure

The governance of the Academy is defined in the Memorandum and Articles of Association together with the funding agreement with the Department of Education.

The Charitable Company has been founded as a Multi Academy Trust. At present it operates only the one school.

The School has Local Governing Body, which meets jointly with the Board of Trustees on at least 5 occasions per year and is responsible for the strategic direction of the School. The joint Boards reviews progress towards educational objectives and results. They also approve major expenditure requests, set the budget for the following year, and set the organisational staffing structure, agree the performance objectives of the Executive Headteacher with the School Improvement Partner, and reviews them.

The Executive Headteacher is the designated Accounting Officer of the Academy and has overall responsibility for the day to day financial management of the Charitable Company. The Executive Headteacher has delegated responsibility for low values of expenditure to specific budget holders who are each responsible for managing their own departments within the constraints of their allocated budgets. A system of financial controls is in place to manage this process.

The Executive Headteacher manages the Academy on a daily basis supported by a Senior Leadership Team (SLT). The SLT meets frequently to discuss emerging matters and to help to develop strategies for future development to be put to the Headteacher and the Governing Bodies as required for approval. Each member of the SLT has specific responsibilities to assist the Executive Headteacher to manage certain aspects of the Academy.

THE BRIDGE INTEGRATED LEARNING SPACE LIMITED

(A Company Limited by Guarantee)

Connected Organisations and Related Parties

Owing to the nature of the Academy's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a Trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures. Any transaction where the Trustee has a pecuniary interest is only undertaken in accordance with the 'at cost' principle stated in the Academies Financial Handbook.

The academy procures a number of direct and support services from The Bridge Secondary School and The Bridge Primary School. These maintained schools offer best value for the required services due to the specialist nature of the academy's requirements.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and aim of the Charitable Company is the operation of The Bridge Integrated Learning Space to provide free education and care for pupils of different abilities between the ages of 7 and 19.

Strategies and Activities

During the year the School has worked towards achieving these aims by:

- ensuring that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- raising the standard of educational achievement of all pupils;
- improving the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- providing value for money for the funds expended;
- complying with all appropriate statutory and curriculum requirements; and
- conducting the Academy's business in accordance with the highest standards of integrity.

At The Bridge Integrated Learning Space we aim to get the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values.

Public Benefit

The Trustees believe that by working towards the objects and aims of the School as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

Achievements and performance

The School uses a range of measures of performance and considers achievement in a holistic way. National Curriculum data is collected using 'PIVATS' and reported to the DfE as appropriate. Alongside this measures of behaviour, emotional social well-being and target achievement are measured. These are then plotted on graphs side by side so that the interrelationship of areas of achievement can be seen. The ILS was only open for two terms prior to the end of the academic year but in that time all pupils made significant progress in the area of social and emotional well-being.

Key Performance Indicators

The Trustees receive quarterly information to enable them to monitor the performance of the School compared to aims, strategies and financial budgets.

As funding is based on pupil numbers this is a key performance indicator. Pupil numbers for 2015 were 13 (2014: 0). The School was approved for opening in 2013 but did not actually open its doors till January 2015. Another key financial performance indicator is staffing costs as a percentage of total income.

Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the 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.

THE BRIDGE INTEGRATED LEARNING SPACE LIMITED
(A Company Limited by Guarantee)

FINANCIAL REVIEW

The principal source of funding for the Trust is the General Annual Grant (GAG) and other grants that it receives from the EFA. For the year ended 31 August 2015 the Trust received £710,044 of GAG and other funding. A high percentage of this income is spent on wages and salaries and support costs to deliver the Academy's primary objective of the provision of education. The Trust has no unrestricted funds to carry forward to future years.

Reserves policy

The Trustees are aware of the requirement to balance current and future needs. The Trustees aim to set a balanced budget with annual income balancing annual expenditure.

The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £NIL.

The cash balance of the Academy has been very healthy all year, ending the year with a balance of £98,236. The Trustees have determined that they should hold a cash contingency equivalent to four weeks' expenditure, approximately £70,000.

Due to the accounting rules for the Local Government Pension Scheme under FRS17, the Academy is recognising a pension fund deficit of £1,000. This does not mean that an immediate liability for this amount crystallises and that such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

Investment policy

The aim of the policy is to ensure funds that the Academy does not immediately need to cover anticipated expenditure are invested in such a way as to maximise the academy's income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Trustees do not consider the investment of surplus funds as a primary activity, rather as a result of good stewardship and as and when circumstances allow.

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees maintain a risk register identifying the major risks to which the Academy is exposed, and identifying actions and procedures to mitigate those risks. A formal review of the risk management process is undertaken on an annual basis and the internal control systems and the exposure to said risks are monitored on behalf of the Trustees at each Committee meeting. The principal risks facing the Trust are outlined below; those facing the Academy at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the EFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As an academy school, the level of financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and this is relatively stable with contingencies in place to cover such items as sickness and maternity.

The Directors assess the other principal risks and uncertainties facing the Trust as follows:

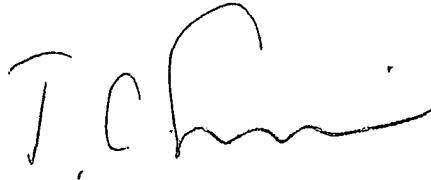
- The Academy has considerable reliance on continued Government funding through the EFA and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.
- Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.
- Reputational - the success of the Academy is dependent on attracting applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.
- Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.
- Staffing - the success of the Academy is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.
- Fraud and mismanagement of funds - All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

THE BRIDGE INTEGRATED LEARNING SPACE LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2015

This Report, incorporating the Strategic Report, was approved by the Board of Trustees on 15/12/15 and signed on the Board's behalf by:

Mr J Skeritt
Chair of Trustees

A handwritten signature in black ink, appearing to be 'J. Skeritt', written over a horizontal line.

THE BRIDGE INTEGRATED LEARNING SPACE LIMITED
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that The Bridge Integrated Learning Space Limited 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 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 Bridge Integrated Learning Space Limited 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

The information on governance included here supplements that described in the Trustees' Report and in the Trustees' Responsibilities Statement. The Board of Trustees has formally met 5 times during the period. Attendance during the period at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Ms H Rayfield	2	5
Ms S Crowther	0	5
Mr J Skeritt	1	5
Ms P Barratt, Executive Head Teacher	5	5

Governance reviews:

The ILS has just started using some new software (Trust-Governor) which facilitates a self-assessment and skills audit of Trustees and Governors. This will be completed in the very near future.

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Headteacher has responsibility for ensuring that the 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 Trust has delivered improved value for money during the year by:

- Safeguard software was procured for the ILS at no cost. Supplier agreed to provide software for free to The Bridge Integrated Learning Space on the basis that The Bridge London already buys the licence.
- Civica Finance Management was purchased for £4,258.44. Package like this would cost in excess of £14,000.00 including training. However, as The Bridge London already uses the Civica software The Bridge Integrated Learning Space has received its own licence at an exceptionally discounts cost
- Fawkes and Reece is a supplier of agency staff. The Bridge Integrated learning space is paying £90.00 per day for supply staff instead of the ongoing rate of £110.00. Integrated Learning Space pays for the service separately. However, it benefits form the volume purchase of combined supply of the Bridge School London and The Bridge Integrated Learning Space.

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 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 Bridge Integrated Learning Space Limited for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the Annual Report and financial statements.

THE BRIDGE INTEGRATED LEARNING SPACE LIMITED
(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 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's significant risks, that has been in place for the period 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.

THE RISK AND CONTROL FRAMEWORK

The Academy'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 Board of Trustees 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; and
- 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 during the year. However plans to appoint an internal auditor are in place for the academic year 15/16.

REVIEW OF EFFECTIVENESS

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

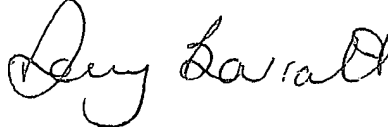
- the work of the external Auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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 address weaknesses and ensure continuous improvement of the system is in place.

Approved by the Board of Trustees on 14.12.15 and signed on its behalf, by:



Mr J Skerritt
Chair of Trustees



Ms P Barratt
Accounting Officer

THE BRIDGE INTEGRATED LEARNING SPACE LIMITED

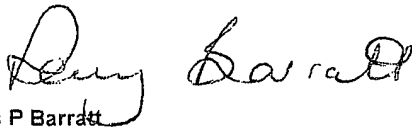
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Bridge Integrated Learning Space Limited I have considered my responsibility to notify the 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 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 (2014).

I confirm that I and the Board of Trustees are able to identify any material, irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook (2014).

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.



Ms P Barratt
Accounting Officer

Date: 14.12.2015.

THE BRIDGE INTEGRATED LEARNING SPACE LIMITED
(A Company Limited by Guarantee)

**TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE PERIOD ENDED 31 AUGUST 2015**

The Trustees (who are the Directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

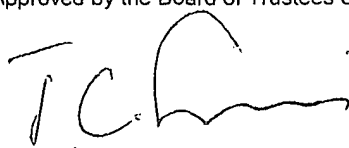
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from 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 the Board of Trustees on 14/12/15 and signed on its behalf by:



Mr J Skerritt
Chair of Trustees

THE BRIDGE INTEGRATED LEARNING SPACE LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BRIDGE INTEGRATED LEARNING SPACE LIMITED

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

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

THE BRIDGE INTEGRATED LEARNING SPACE LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BRIDGE INTEGRATED LEARNING SPACE LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

Gary Miller (Senior Statutory Auditor)
for and on behalf of
Price Bailey LLP

Chartered Accountants
Statutory Auditors

Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT
15 December 2015

THE BRIDGE INTEGRATED LEARNING SPACE LIMITED
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THE BRIDGE
INTEGRATED LEARNING SPACE LIMITED AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 1 June 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Bridge Integrated Learning Space Limited 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 The Bridge Integrated Learning Space Limited and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Bridge Integrated Learning Space Limited and 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 Bridge Integrated Learning Space Limited and EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF THE BRIDGE INTEGRATED LEARNING SPACE LIMITED'S ACCOUNTING
OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of The Bridge Integrated Learning Space Limited's funding agreement with the Secretary of State for Education dated 4 December 2014, and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2014 to 31 August 2015 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 2014 to 2015 issued by 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's income and expenditure.

The work undertaken to draw to our conclusion includes:

- Consideration and corroboration of the evidence supporting the Accounting Officers statement on regularity, propriety and compliance.
- Evaluation of the general control environment of the Trust, extending the procedures required for financial statements to include regularity.
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, propriety and compliance in particular checking that selected items were appropriately authorised, and appropriate.

THE BRIDGE INTEGRATED LEARNING SPACE LIMITED
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THE BRIDGE
INTEGRATED LEARNING SPACE LIMITED AND THE EDUCATION FUNDING AGENCY (continued)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 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.

Gary Miller (Reporting Accountant)

Price Bailey LLP

Chartered Accountants
Statutory Auditors

Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT

15 December 2015

THE BRIDGE INTEGRATED LEARNING SPACE LIMITED
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)
FOR THE PERIOD ENDED 31 AUGUST 2015

	Note	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Unrestricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Investment income	2	-	-	135	135	44
Incoming resources from charitable activities	3	709,909	-	-	709,909	-
TOTAL INCOMING RESOURCES		709,909	-	135	710,044	44
RESOURCES EXPENDED						
Charitable activities	5	590,870	958	193	592,021	20,522
Governance costs	6	15,887	-	-	15,887	5,950
TOTAL RESOURCES EXPENDED	4	606,757	958	193	607,908	26,472
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		103,152	(958)	(58)	102,136	(26,428)
Transfers between funds	14	(5,747)	5,747	-	-	-
NET MOVEMENT IN FUNDS FOR THE PERIOD		97,405	4,789	(58)	102,136	(26,428)
Total funds at 1 September 2014		39,528	-	58	39,586	66,014
TOTAL FUNDS AT 31 AUGUST 2015		136,933	4,789	-	141,722	39,586

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the period.

The notes on pages 17 to 28 form part of these financial statements.

THE BRIDGE INTEGRATED LEARNING SPACE LIMITED

(A Company Limited by Guarantee)

REGISTERED NUMBER: 08343491

**BALANCE SHEET
AS AT 31 AUGUST 2015**

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	11		4,789		-
CURRENT ASSETS					
Debtors	12	91,785		-	
Cash at bank		98,236		66,058	
		<u>190,021</u>		<u>66,058</u>	
CREDITORS: amounts falling due within one year	13	(52,088)		(26,472)	
NET CURRENT ASSETS			137,933		39,586
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>142,722</u>		<u>39,586</u>
Defined benefit pension scheme liability	20	(1,000)			-
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>141,722</u></u>		<u><u>39,586</u></u>
FUNDS OF THE ACADEMY					
Restricted funds :					
Restricted funds	14	137,933		39,528	
Restricted fixed asset funds	14	4,789		-	
		<u>142,722</u>		<u>39,528</u>	
Restricted funds excluding pension liability					
Pension reserve		(1,000)		-	
		<u></u>		<u></u>	
Total restricted funds			141,722		39,528
Unrestricted funds	14		-		58
TOTAL FUNDS			<u><u>141,722</u></u>		<u><u>39,586</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on
are signed on their behalf, by:

14.12.2015

and



Mr J Skerritt
Chair of Trustees

The notes on pages 17 to 28 form part of these financial statements.

THE BRIDGE INTEGRATED LEARNING SPACE LIMITED
(A Company Limited by Guarantee)

**CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 AUGUST 2015**

	Note	31 August 2015 £	8 months ended 31 August 2014 £
Net cash flow from operating activities	16	37,790	-
Returns on investments and servicing of finance	17	135	44
Capital expenditure and financial investment	17	(5,747)	-
INCREASE IN CASH IN THE YEAR		<u>32,178</u>	<u>44</u>

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE PERIOD ENDED 31 AUGUST 2015**

	31 August 2015 £	8 months ended 31 August 2014 £
Increase in cash in the year	<u>32,178</u>	<u>44</u>
MOVEMENT IN NET FUNDS IN THE YEAR	<u>32,178</u>	<u>44</u>
Net funds at 1 September 2014	66,058	66,014
NET FUNDS AT 31 AUGUST 2015	<u>98,236</u>	<u>66,058</u>

The notes on pages 17 to 28 form part of these financial statements.

THE BRIDGE INTEGRATED LEARNING SPACE LIMITED
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice, 'Accounting and Reporting by Charities' published in March 2005 (SORP), the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy 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 and include grants from the Department for Education.

Investment income, gains and losses are allocated to the appropriate fund.

1.3 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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.

1.4 Resources expended

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

Charitable activities are costs incurred in the Academy's educational operations.

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

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

THE BRIDGE INTEGRATED LEARNING SPACE LIMITED
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

All assets costing more than £5,000 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the Government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and are 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's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer equipment	-	4 years straight line
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1.7 Taxation

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

1.8 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 20, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

THE BRIDGE INTEGRATED LEARNING SPACE LIMITED
(A Company Limited by Guarantee)

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

2. INVESTMENT INCOME

	Unrestricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Bank interest	135	135	44

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Restricted funds 2015 £	Unrestricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA grants				
General Annual Grant (GAG)	105,805	-	105,805	-
Start up grants	56,500	-	56,500	-
	<u>162,305</u>	<u>-</u>	<u>162,305</u>	<u>-</u>
Other government grants				
Other DfE/EFA grants	159,915	-	159,915	-
Local authority grants	387,689	-	387,689	-
	<u>547,604</u>	<u>-</u>	<u>547,604</u>	<u>-</u>
	<u>709,909</u>	<u>-</u>	<u>709,909</u>	<u>-</u>

4. RESOURCES EXPENDED

	Staff costs 2015 £	Premises 2015 £	Non pay expenditure Other costs 2015 £	Total 2015 £	Total 2014 £
Project development	319,408	-	95,245	414,653	6,000
Support costs - Project development	19,804	59,216	98,348	177,368	14,522
Charitable activities	<u>339,212</u>	<u>59,216</u>	<u>193,593</u>	<u>592,021</u>	<u>20,522</u>
Governance	<u>-</u>	<u>-</u>	<u>15,887</u>	<u>15,887</u>	<u>5,950</u>
	<u>339,212</u>	<u>59,216</u>	<u>209,480</u>	<u>607,908</u>	<u>26,472</u>

THE BRIDGE INTEGRATED LEARNING SPACE LIMITED
(A Company Limited by Guarantee)

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

5. CHARITABLE ACTIVITIES

	Total funds 2015 £	Total funds 2014 £
DIRECT COSTS		
Wages and salaries	274,843	-
National insurance	17,017	-
Pension cost	27,548	-
Supply cover	29,541	-
Educational supplies	8,343	-
Educational consultancy	57,361	6,000
	<u>414,653</u>	<u>6,000</u>
SUPPORT COSTS		
Wages and salaries	17,173	-
National insurance	1,570	-
Pension cost	1,061	-
Depreciation	958	-
Technology costs	25,059	1,472
Educational supplies	1,880	-
Educational consultancy	23,992	-
Support staff costs	-	12,665
Recruitment and support	5,820	-
Maintenance of premises and equipment	30,140	-
Cleaning	9,541	-
Rent & rates	16,739	-
Insurance	25,054	-
Security and transport	476	-
Catering	14,000	-
Other support costs	1,263	-
Occupancy costs	1,045	-
Printing, postage and stationery	1,597	385
	<u>177,368</u>	<u>14,522</u>
	<u>592,021</u>	<u>20,522</u>

6. GOVERNANCE COSTS

	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Auditors' remuneration	6,950	6,950	3,500
Auditors' remuneration - non audit costs	4,450	4,450	2,450
Legal fees	4,487	4,487	-
	<u>15,887</u>	<u>15,887</u>	<u>5,950</u>

THE BRIDGE INTEGRATED LEARNING SPACE LIMITED
(A Company Limited by Guarantee)

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

7. NET INCOME / (EXPENDITURE)

This is stated after charging:

	31 August 2015 £	8 months ended 31 August 2014 £
Depreciation of tangible fixed assets: - owned by the Academy	958	-

8. STAFF

a. Staff costs

Staff costs were as follows:

	31 August 2015 £	8 months ended 31 August 2014 £
Wages and salaries	225,048	-
Social security costs	18,587	-
Other pension costs (Note 20)	28,609	-
	<u>272,244</u>	<u>-</u>
Seconded staff costs	66,968	-
	<u>339,212</u>	<u>-</u>

b. Staff numbers

The average number of persons employed by the Academy during the period expressed as full time equivalents was as follows:

	31 August 2015 No.	8 months ended 31 August 2014 No.
Administration and support	9	0

c. Higher paid staff

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

THE BRIDGE INTEGRATED LEARNING SPACE LIMITED
(A Company Limited by Guarantee)

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

9. TRUSTEES' REMUNERATION AND EXPENSES

During the period, no Trustees received any remuneration (2014 - £NIL).

During the period, no Trustees received any reimbursement of expenses (2014 - £NIL).

The Executive Headteacher is employed by The Bridge Secondary School. During the year The Bridge Secondary School recharged £12,664 to the Trust to cover the cost of the Executive Headteacher.

10. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy 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 £2,000,000 on any one claim and the cost for the year ended 31 August 2015 was included in the total cost of the insurance for the year.

11. TANGIBLE FIXED ASSETS

	Computer equipment £
Cost	
At 1 September 2014	-
Additions	5,747
At 31 August 2015	<u>5,747</u>
Depreciation	
At 1 September 2014	-
Charge for the period	958
At 31 August 2015	<u>958</u>
Net book value	
At 31 August 2015	<u>4,789</u>
At 31 August 2014	<u>-</u>

12. DEBTORS

	2015 £	2014 £
Trade debtors	16,875	-
VAT control account	11,308	-
Prepayments and accrued income	63,602	-
	<u>91,785</u>	<u>-</u>

THE BRIDGE INTEGRATED LEARNING SPACE LIMITED
(A Company Limited by Guarantee)

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

13. CREDITORS:
Amounts falling due within one year

	2015 £	2014 £
Trade creditors	2,482	20,522
Other taxation and social security	1,688	-
Other creditors	1,936	-
Accruals and deferred income	45,982	5,950
	<u>52,088</u>	<u>26,472</u>

14. STATEMENT OF FUNDS

	Brought forward £	Incoming resources £	Resources expended £	Transfers in/out £	Carried forward £
Unrestricted funds					
Unrestricted funds	58	135	(193)	-	-
Restricted funds					
Other DfE and EFA grants	39,528	159,915	(55,763)	(5,747)	137,933
General Annual Grant (GAG)	-	105,805	(105,805)	-	-
Start up grant	-	56,500	(56,500)	-	-
Other government grants	-	387,689	(387,689)	-	-
Pension reserve	-	-	(1,000)	-	(1,000)
	<u>39,528</u>	<u>709,909</u>	<u>(606,757)</u>	<u>(5,747)</u>	<u>136,933</u>
Restricted fixed asset funds					
Restricted fixed asset fund	-	-	(958)	5,747	4,789
Total restricted funds	<u>39,528</u>	<u>709,909</u>	<u>(607,715)</u>	<u>-</u>	<u>141,722</u>
Total of funds	<u>39,586</u>	<u>710,044</u>	<u>(607,908)</u>	<u>-</u>	<u>141,722</u>

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

Unrestricted Funds

This represents income received that does not have restrictions.

Other DfE/EFA grants

This represents the final installment of project grant funding provided to the Academy to fund the initial development and opening of the Academy. The remaining amount represents funding to be used to help raise achievement and improve outcomes for pupils from low income families who are eligible for free school meals.

THE BRIDGE INTEGRATED LEARNING SPACE LIMITED
(A Company Limited by Guarantee)

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

14. STATEMENT OF FUNDS (continued)

General Annual Grant (GAG)

This represents funding from the EFA to be used for the normal running costs of the Academy, including education and support costs.

Other government grants

This represents place funding from local councils to be used for the normal running costs of the Academy, including education and support costs.

Start up grant

This fund is specifically to assist with the costs of converting to an Academy.

Pension Reserve

This reserve represents the Academy's share of the deficit on the Local Government Pension Scheme (LGPS) transferred to the Academy on conversion from a state controlled school.

Restricted Fixed Asset Fund

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

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

SUMMARY OF FUNDS

	Brought forward £	Incoming resources £	Resources expended £	Transfers in/out £	Carried forward £
General funds	58	135	(193)	-	-
Restricted funds	39,528	709,909	(606,757)	(5,747)	136,933
Restricted fixed asset funds	-	-	(958)	5,747	4,789
	<u>39,586</u>	<u>710,044</u>	<u>(607,908)</u>	<u>-</u>	<u>141,722</u>

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Unrestricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	4,789	-	4,789	-
Current assets	190,021	-	-	190,021	66,058
Creditors due within one year	(52,088)	-	-	(52,088)	(26,472)
Provisions for liabilities and charges	(1,000)	-	-	(1,000)	-
	<u>136,933</u>	<u>4,789</u>	<u>-</u>	<u>141,722</u>	<u>39,586</u>

THE BRIDGE INTEGRATED LEARNING SPACE LIMITED
(A Company Limited by Guarantee)

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

16. NET CASH FLOW FROM OPERATING ACTIVITIES

	31 August 2015 £	8 months ended 31 August 2014 £
Net incoming resources before revaluations	102,136	(26,428)
Returns on investments and servicing of finance	(135)	(44)
Depreciation of tangible fixed assets	958	-
Increase in debtors	(91,785)	-
Increase in creditors	25,616	26,472
FRS 17 adjustments	1,000	-
	<u>37,790</u>	<u>-</u>
Net cash inflow from operations	<u><u>37,790</u></u>	<u><u>-</u></u>

17. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	31 August 2015 £	8 months ended 31 August 2014 £
Returns on investments and servicing of finance		
Interest received	135	44
	<u>135</u>	<u>44</u>
	31 August 2015 £	8 months ended 31 August 2014 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(5,747)	-
	<u>(5,747)</u>	<u>-</u>

18. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	66,058	32,178	-	98,236
Net funds	<u>66,058</u>	<u>32,178</u>	<u>-</u>	<u>98,236</u>

19. 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.

THE BRIDGE INTEGRATED LEARNING SPACE LIMITED
(A Company Limited by Guarantee)

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

20. PENSION COMMITMENTS

The Academy'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 London Borough of Islington. 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 related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

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

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

Not less than every four years 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. 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 (currently 14.1%);
- 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; and
- 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.

The pension costs paid to TPS in the period amounted to £9,309 (2014: £nil).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Academy 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 assets held in separate Trustee-administered funds. The total contribution made for the period ended 31 August 2015 was £12,000, of which employer's contributions totalled

THE BRIDGE INTEGRATED LEARNING SPACE LIMITED
(A Company Limited by Guarantee)

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

20. PENSION COMMITMENTS (continued)

£9,000 and employees' contributions totalled £3,000. The agreed contribution rates for future years are 15.8% for employers and 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.

The amounts recognised in the Balance Sheet are as follows:

	31 August 2015 £	8 months ended 31 August 2014 £
Present value of funded obligations	(13,000)	-
Fair value of scheme assets	12,000	-
	<u>(1,000)</u>	<u>-</u>
Net liability	<u>(1,000)</u>	<u>-</u>

The amounts recognised in the Statement of Financial Activities are as follows:

	31 August 2015 £	8 months ended 31 August 2014 £
Current service cost	(10,000)	-
	<u>(10,000)</u>	<u>-</u>

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

	31 August 2015 £	8 months ended 31 August 2014 £
Current service cost	10,000	-
Contributions by scheme participants	3,000	-
	<u>13,000</u>	<u>-</u>
Closing defined benefit obligation	<u>13,000</u>	<u>-</u>

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

	31 August 2015 £	8 months ended 31 August 2014 £
Contributions by employer	9,000	-
Contributions by employees	3,000	-
	<u>12,000</u>	<u>-</u>
	<u>12,000</u>	<u>-</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of Total Recognised Gains and Losses was £NIL (2014 - £NIL).

The Academy expects to contribute £9,000 to its Defined Benefit Pension Scheme in 2016.

THE BRIDGE INTEGRATED LEARNING SPACE LIMITED
(A Company Limited by Guarantee)

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

20. PENSION COMMITMENTS (continued)

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2015	2014
Equities	54.00 %	- %
Property	15.00 %	- %
Cash	11.00 %	- %
Other bonds	20.00 %	- %

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2015	2014
Discount rate for scheme liabilities	3.80 %	- %
Rate of increase in salaries	3.85 %	- %
Rate of increase for pensions in payment / inflation	2.10 %	- %
Inflation assumption (CPI)	2.10 %	- %

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	22.5	
Females	25.2	
Retiring in 20 years		
Males	24.7	
Females	27.5	

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2015 £	2014 £
Defined benefit obligation	(13,000)	-
Scheme assets	12,000	-
Deficit	(1,000)	-

21. RELATED PARTY TRANSACTIONS

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

Any transactions where the Trustee has a pecuniary interest is only undertaken in accordance with the 'at cost' principle stated in the Academies Financial Handbook.

During the period recharges totalling £51,792 were paid to The Bridge Secondary School, of which J Skeritt, H Rayfield, P Barratt, and S Crowther are governors. Transactions took place at cost and were conducted in accordance with the Academy financial regulations. As at 31 August 2015 £2,440 was owed to the Bridge Secondary School with respect to these recharges.

Trustees believe that procuring services from this connected organisation represented best value for the trust due to that organisation's familiarity with the circumstances and procedures of the Academy.