

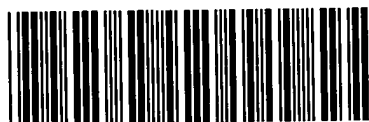
BURNHAM GRAMMAR SCHOOL

(A company limited by guarantee)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2014

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BURNHAM GRAMMAR SCHOOL
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS GOVERNORS AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2014**

Trustees

Mrs A Bell, Parent Governor¹
Mr J Clayton, Local Authority Governor & Finance Committee¹
Mr D Edwards, Community Governor¹
Dr S Foster, Staff Governor (term ended 5 May 2014)¹
Mr A Frith, Community Governor Chairman & Finance Committee¹
Dr A Gillespie, Headteacher & Finance Committee¹
Mr A Hancox, Community Governor & Finance Committee¹
Mrs A Marwaha, Parent Governor (term ended 8 July 2014)¹
Dr A Mistry, Parent Governor¹
Mr A Trehay, Staff Governor¹
Mr N Walker, Parent Governor & Finance Committee¹
Mr J Rogerson, Community Governor & Finance Committee (resigned 1 February 2014)¹
Mr R Lee, Parent Governor¹
Mr C Whieldon, Parent Governor¹
Mr P Brady, Community Governor (resigned 3 February 2014)¹
Ms L Owolabi, Community Governor (appointed 22 May 2014)¹
Mr R Connolly, Community Governor (appointed 3 February 2014)¹

¹ All Governors are also Directors

Company registered number

07769232

Principal and registered office

Hogfair Lane, Buckinghamshire,
SL1 7HG

Chief executive officer

Dr A Gillespie

Independent auditors

Landau Baker Limited, Mountcliff House, 154 Brent Street, London, NW4 2DR

Solicitors

Weale Wasbrough Vizards, Barnards Inn, 86 Fetter Lane, London, EC4A 1AD

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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2014

The Governors (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Burnham Grammar School (the academy) for the year ended 31 August 2014. The Governors confirm that the Annual report and financial statements of the academy comply with the current statutory requirements, the requirements of the academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Constitution

Burnham Grammar School ("the school") is an Academy Trust which is a company incorporated in England and Wales, limited by guarantee with registered Company number 7769232. The company was incorporated on 9th September 2011 and in accordance with a Funding Agreement entered into with the Secretary of State for Education the school became an Academy on 1st October 2011. The Company's Memorandum and Articles of Association are the primary governing documents of both the Company and the Academy, which for most practical purposes are the same. The school operates as an exempt Charity which means that the school has the benefits of charitable status but regulation and registration is not performed by the Charities Commission but by the Secretary of State.

The school is governed by the Governors, who are also all directors of the Company as well as trustees of the exempt Charity and who delegate the day to day running of the Company/School to the Senior Leadership team comprising the Headmaster, Deputy and Assistant Headmasters and certain other senior staff.

There is also another quite separate legal entity called the Burnham Grammar School Fund, which is a registered Charity (Number 1094537). Apart from some overlap in directors, it is operated quite separately from the Company with its own bank account. Its financial affairs are thus not covered by these accounts, but by separate accounts which are filed with the Charities Commission. Its purpose is to advance the education of students at the School by raising funds to provide additional facilities and services which lie beyond the strict statutory obligations of the school, including but not limited to school trips, extra-curricular activities and activity days.

b. Method of recruitment and appointment or election of governors

The governors are appointed under the terms of the Academy's Articles of Association: 17 governors in total:

- The Headteacher
- 6 Parent Governors (by election)
- 6 Community/specialist governors (appointed by the members)
- 1 LA governor
- 2 Teaching staff governors (by election)
- 1 Non-teaching staff governor (by election)
- Up to 3 Associate/Co-opted governors

There are five Members of the Trust:

- Two Founding Members; Mr A Frith and Mr J Clayton
- Three Additional Members; Mr D Edwards, Mr A Hancox and Mrs A Bell

The term of office for any governor shall be four years. The headteacher's term of office runs parallel with his contract of employment. Subject to remaining eligible to be a particular type of governor any governor may be reappointed or re-elected.

c. Policies and procedures adopted for the induction and training of governors

The training and induction provided for new governors will depend on their existing experience. Where

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

necessary an induction will provide training on charity and educational legal and financial matters. All new governors are given a tour of the Academy, track a class for a day and are given the chance to meet with staff and students. All governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees and directors of the Charitable Company.

d. Organisational Structure

The Charitable Company has established a management structure to enable its efficient running. The structure consists of two levels: the governors and the executive who are the senior leadership team. The governing body has considered its role thoughtfully and decided that the role of the governors is to approve the strategic direction and objectives of the Charitable Company and monitor its progress towards these objectives. The governing body has approved a scheme of delegation which sets out a statement on the system of internal control, responsibilities, standing orders, a scheme of delegation and terms of reference. Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Charitable Company by use of budgets and making major decisions about the direction of the Charitable Company, including capital expenditure and senior staff appointments.

e. Risk Management

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

The academy has an effective system of internal financial controls and this is explained in more detail in the statement on internal control.

f. Governors' indemnities

Subject to the provisions of the Companies Act, every governor or other officer of the academy shall be indemnified out of the assets of the academy against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Charitable Company.

g. Principal activities

The principal activity of the Charitable Company is to advance, for the public benefit, education in Burnham and the surrounding area by maintaining and operating Burnham Grammar School in Burnham, Buckinghamshire.

OBJECTIVES AND ACTIVITIES

a. Objects and aims

The principal object and activity of the Charitable Company is the operation of Burnham Grammar School to provide education for pupils who meet the selection criteria between the ages of 11-18. In accordance with the articles of association the Charitable Company has adopted a "Scheme of Government" approved by the

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting students to the Academy, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum.

b. Objectives, Strategies and Activities

The Academy's main strategy is encompassed in the School Aims, which are to develop students who are:

- Active Citizens
- Prepared for their future
- Happy, healthy and safe
- Caring individuals
- Responsible learners

c. Activities for achieving objectives

Active Citizens

- Participate in a range of community activities
- Have opportunities for leadership in all Key Stages of their time at the school
- Create cultural social & economic links with the local and wider communities
- Understand the importance of and contribute to student voice activities
- Demonstrate local, national and global social awareness
- Demonstrate environmental awareness in school and wider communities
- Understand democracy and the importance of voting
- Understand that in any society there are limits to individual freedom for the wellbeing of the society as a whole

Prepared for their future

- Develop the ability to adapt to change
- Develop a broad range of transferable skills
- Develop a broad knowledge of the world of work
- Have real experience of the next Key Stage before making their choices of subjects to study
- Have a broad knowledge of post school options to make informed choices
- Develop life skills and academic and personal independence
- Understand the economic realities of their and others lives and ways to manage financial responsibilities

Happy, Healthy & Safe

- Understand the importance of healthy eating for physical and mental wellbeing
- Understanding the importance of exercise for physical and mental wellbeing
- Act on awareness of healthy lifestyle choices
- Take advantage of and enjoy a range of extra-curricular activities
- Develop a knowledge of health issues, including sexual, mental and drug related, to enable informed decisions and choices
- Safely enjoy new technologies, experiences and environments

Caring Individuals

- Respect everyone and welcome differences
- Be aware of the consequences of our actions, however small, for ourselves and others
- Provide social & academic support for all members of our community
- Learn to be good listeners & communicators
- Respect other's opinions and beliefs
- Respect oneself

Responsible Learners

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

- Recognise that making mistakes is a key part of successful learning and develop perseverance.
- Enjoy & cultivate a positive approach to, and accept responsibility for, their learning
- Be able to and enjoy applying knowledge & understanding to a wide range of situations
- Work successfully in teams and as individuals
- Supported to take responsibility to achieve beyond their potential
- Reflect on both achievements & setbacks and learn from their experiences
- Think and learn creatively

The School Aims are being reviewed and edited in the autumn term of 2014.

d. Key priorities

ACHIEVEMENT

1. Further raise attainment and achievement at GCSE (English and Maths a priority)
2. Further develop and embed the whole school Literacy Policy, with a focus on ensuring that students are able to embrace and take advantage of the changes to GCSE question structures.
3. To increase the percentage of A* grades at A2 and remove E and U grades at AS
4. Implement and track the use of Pupil Premium funding to ensure accountability and impact on individual student achievement.

LEARNING

5. Improve the proportion of outstanding lessons.
6. Eliminate lessons that are judged as requiring improvement in any observations.
7. Improve the use of ICT to support learning and broaden the opportunities for it to support students both inside and outside the classroom
8. Identifying ways to develop Growth Mindsets, resilience and aspirations through challenge outside of the classroom.
9. To further improve the structure and opportunities for staff development at different career stages

LEARNING (ASSESSMENT)

10. Departments to review programmes of assessment to ensure they provide "regular and frequent formal written feedback that gives precise guidance on how to improve and provides clear opportunities for all students to respond."
11. Further improve accountability for the reliability and validity of Progress Grade at departmental and individual teacher level and their use by the governing body.
12. Review the use and presentation of achievement data to provide clarity to students, staff and governors in order to raise the aspirations and attainment of students and to support the new pay policy.
13. Develop a more structured timetable for controlled assessments that is communicated to students, parents and staff and review the system of accountability to ensure adherence to exam board specifications.

BEHAVIOUR

14. Improve the recording, monitoring and analysis of behaviours and identify trends in rewards, sanctions and incidents

LEADERSHIP

15. Develop the 2014 – 2017 school development plan and integrate self-evaluation, line management proformas and Head's Report to Governors into monitoring.
16. Development of a new pay policy for teaching staff and review of the PM policy to support it.
17. Planning for the construction of new teaching and 6th form accommodation.
18. To design an ongoing income generating strategy to contribute to facilities and site development. (To include Alumni Society, ongoing Enhancement Fund and Building Fund).
19. Improve the retention of students into the 6th form and marketing to and recruitment of external students.

e. Public benefit

In setting the objectives, the governors have given careful consideration to the Charity Commission's general

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education. As an Academy we make the best use of our skills expertise and experience with regards to the community. Some examples of this are:

- Raising money for local, national and international charities
- Linking with the Rotary Club through the Interact scheme
- Providing community events such as the biennial Well Being Days
- Working with the Burnham Health Promotion Trust
- 6th form Contribution to the Community Scheme
- Sports Leader programmes that provide sporting activities to local Primary Schools
- Science College support of local Primary Schools

Achievements and performance

a. GOING CONCERN

After making appropriate enquiries, the governing body has a reasonable expectation that the Academy 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.

b. REVIEW OF ACTIVITIES

2013-2014 was the third year of the Academy. The Academy was again oversubscribed with 150 places being offered to Year 7 students and 140 Students being admitted into Year 12 (including 18 students who had completed their GCSE programmes of study at other institutions).

In 2014 the results in KS3 Teacher Assessments and GCSE exams at KS4 were as follows

School targets versus actuals (%)

| | 2012 | | | 2013 | | | 2014 | | |
|---------------------------------|--------|--------|------|--------|--------|------|--------|--------|------|
| | Target | Actual | Diff | Target | Actual | Diff | Target | Actual | Diff |
| Expected Progress KS2-4 English | 97 | 80 | -17 | 97 | 85 | -12 | 92 | 93 | +1 |
| Expected Progress KS2-4 Maths | 95 | 92 | -3 | 95 | 90 | -5 | 91 | 93 | +2 |
| 5+ A*-C inc Eng & Maths | 99 | 94 | -5 | 100 | 97 | -3 | 100 | 99 | -1 |
| Cohort | 123 | 123 | - | 120 | 120 | - | 147 | 147 | |

N/A*: not available at the date of signing the accounts

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

School Absence Data

| | 2013/14 | 2012/13 |
|--------------|----------------|----------------|
| Authorised | 3.90% | 5.20% |
| Unauthorised | 0.30% | 0.30% |
| Total | 4.20% | 5.50% |

a. FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

The financial position of the academy shows a total funds for the year at £471k. This figure includes two items which do not affect the schools short to medium term liquidity which are Tangible Assets and Pensions Reserve. Excluding these two items, the academy has available Restricted Funds of £422k, which is £55k up on prior year. Cash on hand is at £539k. Overall, the academy has a healthy balance sheet and cash flow and will be using these reserves to maintain the current assets and also to invest back into the school in the form of additional resources and facilities both in the long term and short term in conjunction with the school development plan and school aims.

Following conversion to academy, the school appointed a part-time Finance Director who works in addition to the part-time Finance Assistant. The Finance Director has subsequently been reviewing the financial processes and controls and one of the changes made is to the accounting package used to improve reporting. The Governors through the Finance Committee and Headteacher receive financial progress reports throughout the year and compare against budgets submitted to the Education Funding Agency. The Finance Committee also review longer term financial models (up to 5 years) to plan and organise resources most effectively to fulfil the aims of the school.

b. PRINCIPAL RISKS AND UNCERTAINTIES

The Companies Act 2006 s417(3b) requires disclosure of the principal risks and uncertainties facing a company. The academy is exposed to a number of financial risks including credit, cash flow and liquidity risks. Given the academy's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The academy's system of internal controls ensures risk is minimal in these areas.

c. Reserves Policy

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The governors will keep this level of reserves under review. Reserves at the end of the period amounted to £471,446.

d. PRINCIPAL FUNDING

Most of the Academy's income is obtained from the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the period

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

ended 31 August 2013 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy also received grants for fixed assets from the EFA. In accordance with the Charities Statement of Recommended Practice, "Accounting for Reporting by Charities" (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Under the Charities SORP, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff, to a restricted fund. This results in reducing reserves shown in the total funds of the Academy. It should be noted that this does not present the Academy with any current liquidity problem. The employer contributions are currently being assessed and it is expected that they will increase to bring a further reduction in this pension deficit in future, although this may not be achieved until stock market investment values start to recover.

Plans for future

The Academy will continue to provide the highest levels of education to its students and be guided by the School Aims and the School Development Plan.

Key aims for 2014-2015 are in bold.

AREA 1: Teaching and Learning

- 1.1 To further improve classroom assessment practices:**
 - Performance grade generation, reliability and validity
 - Assessment for learning
 - Students responding to assessment guidance
 - Student tracking and interventions
- 1.2 To further develop and embed the whole-school literacy plan and improve practice across all departments**
- 1.3 To embed the new lesson observation schedule criteria, quality assure the standard of observation judgements and improve and sustain the quality of teaching and learning within and across departments.**
 - Head of departments to ensure that their leading role in developing teaching and learning within their departments ensures that gains in observation judgements are matched by gains in student achievement.

AREA 2: Attainment and Achievement

- 2.3 To raise achievement in underperforming departments**
- 2.4 To map out the principles of the redesign and development of progress grades, reporting and whole school use of data in response to national changes at KS2, KS3, GCSE and A level**
- 2.5 To enhance the progress of Pupil Premium students and underperforming groups**

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

AREA 3: Curriculum

| | |
|------------|---|
| 3.1 | To design and model a robust forward thinking curriculum to take advantage of changes to GCSE and A levels in order to maximise student progress and fulfil the school aims. <ul style="list-style-type: none">• Departments to effectively plan for delivery of new GCSE and A level courses, whilst recognising the implications for KS3 programmes of study. |
|------------|---|

AREA 4: Student Support, Intervention, Leadership and Enrichment

- 4.1** To further develop a strategic study skills and Growth Mindsets programme for students across all Key Stages and maximise the progress of all students.
- 4a(2014)** To explore the reasons behind the weaker attainment at A2 in 2014 and implement changes to performance grade calculation, tracking and intervention where necessary
- 4.2** To ensure that we identify, support and prevent students at risk radicalisation and sexual exploitation (including female genital mutilation).

AREA 5: Investment in Staff

| | |
|-----------------|--|
| 5.1 | To ensure staff wellbeing and commitment and complete Investors In People assessment |
| 5a(2014) | The smooth integration of the new performance management and pay policies through the introduction of the BlueSky database |
| 5b(2014) | Ensure that the roles of the new SLT team are effectively communicated to all stakeholders and they are adequately inducted and prepared for their new roles |

AREA 6: Developing Stakeholder Relationships

| | |
|------------|----------------------------|
| 6.1 | Alumni Society Development |
|------------|----------------------------|

AREA 7: Site and Facilities Development

- 7.1** To strategically plan and deliver the development and maintenance of the school site
- 7.1a** Capital Fundraising Campaign to raise money to contribute to the costs of the new central building

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014

AREA 8: ICT and Technology

| | |
|------------|---|
| 8.1 | Strategic and planned investment in ICT facilities to enable staff and students continue to develop their practice to ensure their performance and impact on progress is outstanding. |
|------------|---|

AREA 9: Whole School, Departmental and Individual Self Evaluation and Monitoring of this Plan

| | |
|------------|--|
| 9.1 | Integration of Whole School, Departmental and Individual Self Evaluation, Performance Management and Monitoring of this Plan |
|------------|--|

NB. Quantitative student progress measures for success criteria to be confirmed.

All senior and middle leaders' development plans link to the School Development Plan (SDP) and/or the priorities listed above. As a result of their self-evaluation and review practices all departments write detailed development plans.

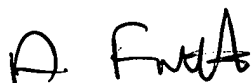
Premises - the Academy has an ongoing programme of repairs and maintenance and a prioritised improvement plan, for which we will be applying for capital grants from the Department of Education, EFA and ACMF. Over the coming year priority will be given to replacement of windows, key repairs to roofs and improvements in Fire safety infrastructure as recommended in the November 2013 Site conditions Survey prepared by external advisors in conjunction with school staff.

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are Governors at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

This report was approved by order of the Board of Governors on 24 November 2014 and signed on the board's behalf by:



Mr A Frith, Chair of Governors

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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The Governing Body has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Burnham Grammar School and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Trustees' responsibilities statement. The Governing Body has formally met 3 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

| Governor | Meetings attended | Out of a possible |
|---|-------------------|-------------------|
| Mrs A Bell, Parent Governor | 3 | 3 |
| Mr J Clayton, Local Authority Governor & Finance Committee | 1 | 3 |
| Mr D Edwards, Community Governor | 3 | 3 |
| Dr S Foster, Staff Governor | 3 | 3 |
| Mr A Frith, Community Governor Chairman & Finance Committee | 2 | 3 |
| Dr A Gillespie, Headteacher Finance Committee | 3 | 3 |
| Mr A Hancox, Community Governor & Finance Committee | 2 | 3 |
| Mrs A Marwaha, Parent Governor | 1 | 3 |
| Dr A Mistry, Parent Governor | 3 | 3 |
| Mr A Trehy, Staff Governor | 2 | 3 |
| Mr N Walker, Parent Governor & Finance Committee | 3 | 3 |
| Mr J Rogerson, Community Governor & Finance Committee | 1 | 1 |
| Mr R Lee, Parent Governor | 2 | 3 |
| Mr C Whieldon, Parent Governor | 3 | 3 |
| Mr P Brady, Community Governor | 0 | 1 |
| Ms L Owolabi, Community Governor | 1 | 1 |
| Mr R Connolly, Community Governor | 2 | 2 |

The Finance Committee is a sub-committee of the main Governing Body. Its purpose is to make sure that the academy is following the EFA's financial regulations.

Attendance at meetings in the year was as follows:

| Governor | Meetings attended | Out of a possible |
|----------------|-------------------|-------------------|
| Mr J Clayton | 3 | 3 |
| Mr A Frith | 2 | 3 |
| Dr A Gillespie | 3 | 3 |
| Mr A Hancox | 0 | 3 |
| Mr J Rogerson | 0 | 3 |
| Mr N Walker | 3 | 3 |

Governors typically also serve on a number of other sub committees, as set out in the school website.

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GOVERNANCE STATEMENT (continued)

GOVERNANCE REVIEWS:

The impact of each Governing Body Committee is reviewed and monitored through the Headline Document that each committee reviews and produces on a termly basis

The Governors intend to perform a self-evaluation review of governance in the coming year.

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 Burnham Grammar School for the year 1 September 2013 to 31 August 2014 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 is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

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 Governing Body;
- regular reviews by the Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The RO's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. On a quarterly basis, the RO reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

REVIEW OF EFFECTIVENESS

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


- the work of the external 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 Finance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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GOVERNANCE STATEMENT (continued)

Approved by order of the members of the Governing Body on 24 November 2014 and signed on its behalf, by:



Mr A Frith, Chair of Governors



Dr A Gillespie, Headteacher

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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Burnham Grammar School I have considered my responsibility to notify the academy Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2013).

I confirm that I and the academy Governing Body 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 (2013).

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 Governing Body and EFA.



Dr A Gillespie
Accounting Officer

Date: 24 November 2014

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GOVERNORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014

The Governors (who act as trustees of Burnham Grammar School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' 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 Governors to prepare financial statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of the Governing Body on 24 November 2014 and signed on its behalf by:



Mr A Frith, Chair of Governors

BURNHAM GRAMMAR SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF TRUSTEES OF BURNHAM GRAMMAR SCHOOL

We have audited the financial statements of Burnham Grammar School for the year ended 31 August 2014 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 2013 to 2014 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 GOVERNORS AND AUDITORS

As explained more fully in the Governors' responsibilities statement, the Governors (who are also the directors of the academy 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 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2013 to 2014 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.

BURNHAM GRAMMAR SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF TRUSTEES OF BURNHAM GRAMMAR SCHOOL

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- *the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.*

Michael Durst (Senior statutory auditor)

for and on behalf of

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR
24 November 2014

BURNHAM GRAMMAR SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO BURNHAM
GRAMMAR SCHOOL AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 10/04/2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Burnham Grammar School during the year 1 September 2013 to 31 August 2014 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 Burnham Grammar School and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Burnham Grammar School 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 Burnham Grammar School and EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF BURNHAM GRAMMAR SCHOOL'S ACCOUNTING OFFICER AND
THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Burnham Grammar School's funding agreement with the Secretary of State for Education dated 01 October 2011, and the Academies Financial Handbook extant from 1 September 2013, 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 2013 to 2014. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2013 to 31 August 2014 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 2013 to 2014 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.

BURNHAM GRAMMAR SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO BURNHAM
GRAMMAR SCHOOL 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 year 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Michael Durst (Senior statutory auditor)

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

24 November 2014

BURNHAM GRAMMAR SCHOOL
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of total recognised gains and losses)
FOR THE YEAR ENDED 31 AUGUST 2014

| | Note | Restricted funds 2014 £ | Restricted fixed asset funds 2014 £ | Total funds 2014 £ | Total funds 2013 £ |
|---|------|----------------------------------|---|-----------------------------|-----------------------------|
| INCOMING RESOURCES | | | | | |
| Incoming resources from generated funds: | | | | | |
| Incoming resources from charitable activities | 2 | 4,465,236 | 19,609 | 4,484,845 | 4,530,103 |
| TOTAL INCOMING RESOURCES | | 4,465,236 | 19,609 | 4,484,845 | 4,530,103 |
| RESOURCES EXPENDED | | | | | |
| Charitable activities | | 4,425,092 | 28,748 | 4,453,840 | 4,393,620 |
| Governance costs | 3 | 6,600 | - | 6,600 | 6,200 |
| TOTAL RESOURCES EXPENDED | 6 | 4,431,692 | 28,748 | 4,460,440 | 4,399,820 |
| NET INCOME BEFORE TRANSFERS | | 33,544 | (9,139) | 24,405 | 130,283 |
| Transfers between Funds | 16 | (29,984) | 29,984 | - | - |
| NET INCOME FOR THE YEAR | | 3,560 | 20,845 | 24,405 | 130,283 |
| Actuarial gains and losses on defined benefit pension schemes | | (125,000) | - | (125,000) | (36,000) |
| NET MOVEMENT IN FUNDS FOR THE YEAR | | (121,440) | 20,845 | (100,595) | 94,283 |
| <i>Total funds at 1 September 2013</i> | | <i>(496,284)</i> | <i>1,068,325</i> | <i>572,041</i> | <i>477,758</i> |
| TOTAL FUNDS AT 31 AUGUST 2014 | | (617,724) | 1,089,170 | 471,446 | 572,041 |

All activities relate to continuing operations.

All of the academy trust's activities are in the current financial period.

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

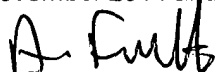
The notes on pages 24 to 40 form part of these financial statements.

BURNHAM GRAMMAR SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 07769232

BALANCE SHEET
AS AT 31 AUGUST 2014

| | Note | £ | 2014 £ | £ | 2013 £ |
|---|------|--------------------|-----------------------|------------------|-----------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 13 | | 1,089,170 | | 1,068,324 |
| CURRENT ASSETS | | | | | |
| Debtors | 14 | 116,483 | | 66,340 | |
| Cash at bank and in hand | | 539,110 | | 549,809 | |
| | | <u>655,593</u> | | <u>616,149</u> | |
| CREDITORS: amounts falling due within one year | 15 | (233,317) | | (248,432) | |
| NET CURRENT ASSETS | | | <u>422,276</u> | | <u>367,717</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>1,511,446</u> | | <u>1,436,041</u> |
| Defined benefit pension scheme liability | 20 | | (1,040,000) | | (864,000) |
| NET ASSETS INCLUDING PENSION SCHEME LIABILITY | | | <u>471,446</u> | | <u>572,041</u> |
| FUNDS OF THE ACADEMY | | | | | |
| Restricted funds: | | | | | |
| Restricted funds | 16 | 422,276 | | 367,716 | |
| Restricted fixed asset funds | 16 | 1,089,170 | | 1,068,325 | |
| Restricted funds excluding pension liability | | <u>1,511,446</u> | | <u>1,436,041</u> | |
| Pension reserve | | <u>(1,040,000)</u> | | <u>(864,000)</u> | |
| Total restricted funds | | | <u>471,446</u> | | <u>572,041</u> |
| TOTAL FUNDS | | | <u><u>471,446</u></u> | | <u><u>572,041</u></u> |

The financial statements were approved by the members of the Governing Body, and authorised for issue, on 24 November 2014 and are signed on their behalf, by:



Mr A Frith
Chair of Governors

The notes on pages 24 to 40 form part of these financial statements.

BURNHAM GRAMMAR SCHOOL
(A company limited by guarantee)

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014**

| | Note | 2014 £ | 2013 £ |
|--|------|-----------------|----------------|
| Net cash flow from operating activities | 18 | (10,699) | 167,869 |
| (DECREASE)/INCREASE IN CASH IN THE YEAR | | <u>(10,699)</u> | <u>167,869</u> |

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2014**

| | 2014 £ | 2013 £ |
|--|-----------------------|-----------------------|
| (Decrease)/Increase in cash in the year | <u>(10,699)</u> | <u>167,869</u> |
| MOVEMENT IN NET FUNDS IN THE YEAR | <u>(10,699)</u> | <u>167,869</u> |
| Net funds at 1 September 2013 | <u>549,809</u> | <u>381,940</u> |
| NET FUNDS AT 31 AUGUST 2014 | <u><u>539,110</u></u> | <u><u>549,809</u></u> |

The notes on pages 24 to 40 form part of these financial statements. All of the cash flows derived from acquisitions in the current financial period.

BURNHAM GRAMMAR SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

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 (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2013 to 2014 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.

BURNHAM GRAMMAR SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (continued)

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.

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.

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of financial activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

The value of donated services and gifts in kind provided to the academy are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy 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's policies.

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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.

BURNHAM GRAMMAR SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (continued)

1.5 Going concern

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

1.6 Tangible fixed assets and depreciation

All assets costing more than £1,000 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.

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:

| | | |
|---------------------------|---|-------------------------|
| L/Term Leasehold Property | - | 125 years |
| Fixtures and fittings | - | 10% Straight-line basis |
| Computer equipment | - | 33% Straight-line basis |

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, are contracted out of the State Earnings-Related Pension Scheme ("SERPS"), 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.

BURNHAM GRAMMAR SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

1. ACCOUNTING POLICIES (continued)

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 the 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 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.

2. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

| | Restricted funds 2014 £ | Total funds 2014 £ | <i>Total funds 2013 £</i> |
|------------------------|--|---------------------------------------|---------------------------------------|
| Educational operations | <u>4,484,845</u> | <u>4,484,845</u> | <u>4,530,103</u> |

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

| | Restricted funds 2014 £ | Total funds 2014 £ | <i>Total funds 2013 £</i> |
|-------------------------------|--|---------------------------------------|---------------------------------------|
| DfE/EFA revenue grants | | | |
| GAG | 4,191,209 | 4,191,209 | 4,239,801 |
| Pupil Premium | 49,125 | 49,125 | 35,354 |
| SEN | 51,936 | 51,936 | 90,458 |
| Capital income | 19,609 | 19,609 | 39,330 |
| Other EFA Grants | 1,375 | 1,375 | 750 |
| Bursary Fund | - | - | 3,990 |
| PE Teacher Grants | - | - | 7,600 |
| | <u>4,313,254</u> | <u>4,313,254</u> | <u>4,417,283</u> |
| Other funding | | | |
| Other Government Grants | - | - | 8,460 |
| Lettings | 51,739 | 51,739 | 38,405 |
| Other income | 119,852 | 119,852 | 65,955 |
| | <u>171,591</u> | <u>171,591</u> | <u>112,820</u> |
| | <u>4,484,845</u> | <u>4,484,845</u> | <u>4,530,103</u> |

BURNHAM GRAMMAR SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

3. GOVERNANCE COSTS

| | Restricted funds 2014 £ | Total funds 2014 £ | <i>Total funds 2013 £</i> |
|-----------------------------------|--|---------------------------------------|---------------------------------------|
| Governance Auditors' remuneration | 6,600 | 6,600 | <i>6,200</i> |

4. DIRECT COSTS

| | Educational operations £ | Total 2014 £ | <i>Total 2013 £</i> |
|----------------------|---|-----------------------------|-----------------------------|
| Pension income | 33,000 | 33,000 | <i>26,000</i> |
| Educational supplies | 81,164 | 81,164 | <i>80,346</i> |
| Staff Advertising | 17,891 | 17,891 | <i>23,867</i> |
| ICT | 6,258 | 6,258 | <i>64,868</i> |
| General repairs | - | - | <i>30,590</i> |
| Agency Teacher | 39,828 | 39,828 | <i>60,158</i> |
| Exam fees | 118,750 | 118,750 | <i>87,221</i> |
| Other staff cost | 56,966 | 56,966 | <i>69,398</i> |
| Professional fees | 62,251 | 62,251 | <i>58,251</i> |
| Insurance | 30,733 | 30,733 | <i>64,265</i> |
| Wages and salaries | 2,545,043 | 2,545,043 | <i>2,492,134</i> |
| National insurance | 198,641 | 198,641 | <i>199,328</i> |
| Pension cost | 361,931 | 361,931 | <i>343,058</i> |
| | 3,552,456 | 3,552,456 | <i>3,599,484</i> |

BURNHAM GRAMMAR SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

5. SUPPORT COSTS

| | Educational operations £ | Total 2014 £ | Total 2013 £ |
|---------------------------|--------------------------------|--------------------|--------------------|
| Educational supplies | 54,872 | 54,872 | 77,374 |
| ICT | 11,256 | 11,256 | 9,342 |
| Catering supplies | 18,126 | 18,126 | 22,886 |
| Ground maintenance | 15,493 | 15,493 | 27,910 |
| General repairs | 62,453 | 62,453 | 24,959 |
| Cleaning | 70,043 | 70,043 | 63,622 |
| Gas & Electricity | 45,543 | 45,543 | 64,680 |
| Water rates | 32,313 | 32,313 | 7,131 |
| Vehicle maintenance | 4,868 | 4,868 | 5,756 |
| Telephone | 6,111 | 6,111 | 13,607 |
| Other staff cost | 25,446 | 25,446 | 30,259 |
| Professional fees | 128,622 | 128,622 | 10,639 |
| Internal Services | 51,063 | 51,063 | 41,375 |
| Courses & Conference fees | 13,406 | 13,406 | 23,280 |
| Miscellaneous expenses | 56,701 | 56,701 | 26,482 |
| Wages and salaries | 201,888 | 201,888 | 249,045 |
| National insurance | 12,518 | 12,518 | 12,083 |
| Pension cost | 61,914 | 61,914 | 67,229 |
| Depreciation | 28,748 | 28,748 | 16,477 |
| | <u>901,384</u> | <u>901,384</u> | <u>794,136</u> |

6. RESOURCES EXPENDED

| | Staff costs 2014 £ | Non Pay Expenditure Other costs 2014 £ | Total 2014 £ | Total 2013 £ |
|--|--------------------------|--|--------------------|--------------------|
| Educational operations | 3,105,615 | 446,841 | 3,552,456 | 3,599,484 |
| Support costs - Educational operations | 276,320 | 625,064 | 901,384 | 794,136 |
| Charitable activities | <u>3,381,935</u> | <u>1,071,905</u> | <u>4,453,840</u> | <u>4,393,620</u> |
| Governance | - | 6,600 | 6,600 | 6,200 |
| | <u>3,381,935</u> | <u>1,078,505</u> | <u>4,460,440</u> | <u>4,399,820</u> |

BURNHAM GRAMMAR SCHOOL
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

7. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

| | Activities undertaken directly 2014 £ | Support costs 2014 £ | Total 2014 £ | Total 2013 £ |
|------------------------|---|-------------------------------|--------------------|--------------------|
| Educational operations | 3,676,362 | 777,478 | 4,453,840 | 4,393,620 |

8. NET INCOME

This is stated after charging:

| | 2014 £ | 2013 £ |
|--|-----------|-----------|
| Depreciation of tangible fixed assets: - owned by the charity | 28,749 | 16,477 |
| Auditors' remuneration | 6,600 | 6,200 |
| Governance Internal audit costs | - | - |

9. STAFF

a. Staff costs

Staff costs were as follows:

| | 2014 £ | 2013 £ |
|-------------------------------|-----------|-----------|
| Wages and salaries | 2,746,931 | 2,741,179 |
| Social security costs | 211,159 | 211,411 |
| Other pension costs (Note 20) | 423,845 | 410,287 |
| | 3,381,935 | 3,362,877 |

b. Staff numbers

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

| | 2014 No. | 2013 No. |
|---------------------------|-------------|-------------|
| Admin (including leaving) | 28 | 29 |
| Leadership | 8 | 7 |
| Teacher | 44 | 43 |
| | 80 | 79 |

BURNHAM GRAMMAR SCHOOL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

9. STAFF (continued)

c. Higher paid staff

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

| | 2014 No. | 2013 No. |
|-------------------------------|-------------|-------------|
| In the band £60,001 - £70,000 | 2 | 1 |
| In the band £80,001 - £90,000 | 1 | 1 |
| | <u>3</u> | <u>2</u> |

BURNHAM GRAMMAR SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

10. GOVERNORS' REMUNERATION AND EXPENSES

The Principal and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as Governors. Other Governors did not receive any payments, other than expenses, from the academy in respect of their role as Governors. The value of Governors' remuneration fell within the following bands:

| | 2014 | 2013 |
|----------------|--------------|--------------|
| | £'000 | £'000 |
| Dr A Gillespie | 85-90 | 85-90 |
| Dr S Foster | 25-30 | 50-55 |
| Mr A Trehay | 45-50 | 45-50 |
| Mr N McKeegan | | 25-30 |

During the year, the following Governors received reimbursement of expenses:

| | |
|----------------|---------|
| Mr A Frith | £63.90 |
| Dr A Gillespie | £497.40 |

11. GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2014 was £1,234.03. The cost of this insurance is included in the total insurance cost.

12. OTHER FINANCE INCOME

| | 2014 | 2013 |
|--|-----------------|-----------------|
| | £ | £ |
| Expected return on pension scheme assets | 35,000 | 21,000 |
| Interest on pension scheme liabilities | (68,000) | (47,000) |
| | (33,000) | (26,000) |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

13. TANGIBLE FIXED ASSETS

| | L/Term Leasehold Property £ | Fixtures and fittings £ | Computer equipment £ | Total £ |
|-----------------------|--------------------------------------|-------------------------------|----------------------------|------------|
| Cost | | | | |
| At 1 September 2013 | 1,039,050 | 4,627 | 50,782 | 1,094,459 |
| Additions | - | 5,362 | 44,233 | 49,595 |
| At 31 August 2014 | 1,039,050 | 9,989 | 95,015 | 1,144,054 |
| Depreciation | | | | |
| At 1 September 2013 | 16,626 | 921 | 8,588 | 26,135 |
| Charge for the year | 8,313 | 892 | 19,544 | 28,749 |
| At 31 August 2014 | 24,939 | 1,813 | 28,132 | 54,884 |
| Net book value | | | | |
| At 31 August 2014 | 1,014,111 | 8,176 | 66,883 | 1,089,170 |
| At 31 August 2013 | 1,022,424 | 3,706 | 42,194 | 1,068,324 |

14. DEBTORS

| | 2014 £ | 2013 £ |
|--------------------------------|----------------|---------------|
| Trade debtors | 6,775 | 18,130 |
| Other debtors | 101,193 | 48,210 |
| Prepayments and accrued income | 8,515 | - |
| | <u>116,483</u> | <u>66,340</u> |

**15. CREDITORS:
Amounts falling due within one year**

| | 2014 £ | 2013 £ |
|------------------------------------|----------------|----------------|
| Trade creditors | - | 4,702 |
| Other taxation and social security | 123,160 | 114,393 |
| Other creditors | 100,000 | 100,000 |
| Accruals and deferred income | 10,157 | 29,337 |
| | <u>233,317</u> | <u>248,432</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

16. STATEMENT OF FUNDS

| | Brought Forward £ | Incoming resources £ | Resources Expended £ | Transfers in/out £ | Gains/ (Losses) £ | Carried Forward £ |
|--|-------------------------|----------------------------|----------------------------|--------------------------|-------------------------|-------------------------|
| Restricted funds | | | | | | |
| Restricted Funds - all funds | 367,716 | 4,465,236 | (4,380,692) | (29,984) | - | 422,276 |
| Pension reserve | (864,000) | - | (51,000) | - | (125,000) | (1,040,000) |
| | <u>(496,284)</u> | <u>4,465,236</u> | <u>(4,431,692)</u> | <u>(29,984)</u> | <u>(125,000)</u> | <u>(617,724)</u> |
| Restricted fixed asset funds | | | | | | |
| Restricted Fixed Asset Funds - all funds | 1,068,325 | 19,609 | (28,748) | 29,984 | - | 1,089,170 |
| Total restricted funds | <u>572,041</u> | <u>4,484,845</u> | <u>(4,460,440)</u> | <u>-</u> | <u>(125,000)</u> | <u>471,446</u> |
| Total of funds | <u>572,041</u> | <u>4,484,845</u> | <u>(4,460,440)</u> | <u>-</u> | <u>(125,000)</u> | <u>471,446</u> |

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes.

Restricted general funds are resources for educational purposes.

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 2014.

SUMMARY OF FUNDS

| | Brought Forward £ | Incoming resources £ | Resources Expended £ | Transfers in/out £ | Gains/ (Losses) £ | Carried Forward £ |
|---------------------------------|-------------------------|----------------------------|----------------------------|--------------------------|-------------------------|-------------------------|
| Restricted funds | (496,284) | 4,465,236 | (4,431,692) | (29,984) | (125,000) | (617,724) |
| Restricted fixed asset funds | <u>1,068,325</u> | <u>19,609</u> | <u>(28,748)</u> | <u>29,984</u> | <u>-</u> | <u>1,089,170</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Restricted funds 2014 £ | Restricted fixed asset funds 2014 £ | Total funds 2014 £ | Total funds 2013 £ |
|--|----------------------------------|---|-----------------------------|-----------------------------|
| Tangible fixed assets | - | 1,089,170 | 1,089,170 | 1,068,324 |
| Current assets | 655,593 | - | 655,593 | 616,149 |
| Creditors due within one year | (233,317) | - | (233,317) | (248,432) |
| Provisions for liabilities and charges | (1,040,000) | - | (1,040,000) | (864,000) |
| | <u>(617,724)</u> | <u>1,089,170</u> | <u>471,446</u> | <u>572,041</u> |

18. NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2014 £ | 2013 £ |
|--|-----------------|----------------|
| Net incoming resources before revaluations | 24,405 | 130,283 |
| Fixed Assets Additions | (49,595) | (28,782) |
| Depreciation of tangible fixed assets | 28,749 | 16,477 |
| Increase in debtors | (50,143) | (16,453) |
| (Decrease)/increase in creditors | (15,115) | 25,344 |
| FRS 17 adjustments | 51,000 | 41,000 |
| Net cash (outflow)/inflow from operations | <u>(10,699)</u> | <u>167,869</u> |

19. ANALYSIS OF CHANGES IN NET FUNDS

| | 1 September 2013 £ | Cash flow £ | Other non-cash changes £ | 31 August 2014 £ |
|---------------------------|-----------------------------|-----------------|-----------------------------------|------------------------|
| Cash at bank and in hand: | 549,809 | (10,699) | - | 539,110 |
| Net funds | <u>549,809</u> | <u>(10,699)</u> | <u>-</u> | <u>539,110</u> |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

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 Bucks County Council. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 August 2014.

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

Teachers' Pension Scheme

Introduction

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

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

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

Valuation of the Teachers' Pension Scheme

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

The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004. The Government Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at that valuation date) was £163,240 million. The assumed real rate of return was 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth was assumed to be 1.5%. The assumed gross rate of return was 6.5%. From 1 January 2007, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014

20. PENSION COMMITMENTS (continued)

The Public Service Pensions Bill provides for future scheme valuations to be conducted in accordance with Treasury directions. The actuarial valuation report in summer 2014 takes effect from September 2015.

Teachers' Pension Scheme Changes

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

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

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

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

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £155,000, of which employer's contributions totalled £122,000 and employees' contributions totalled £33,000. The agreed contribution rates for future years are 22.8% for employers and 5.5 to 6.5% 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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

20. PENSION COMMITMENTS (continued)

The amounts recognised in the Balance sheet are as follows:

| | 2014 £ | 2013 £ |
|-------------------------------------|-------------|-------------|
| Present value of funded obligations | (1,851,000) | (1,388,000) |
| Fair value of scheme assets | 811,000 | 524,000 |
| Net liability | (1,040,000) | (864,000) |

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

| | 2014 £ | 2013 £ |
|--------------------------------------|-----------|-----------|
| Current service cost | (140,000) | (139,000) |
| Interest on obligation | (68,000) | (47,000) |
| Expected return on scheme assets | 35,000 | 21,000 |
| Loss on curtailments and settlements | - | - |
| Total | (173,000) | (165,000) |
| Actual return on scheme assets | 62,000 | 62,000 |

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

| | 2014 £ | 2013 £ |
|--------------------------------------|-----------|-----------|
| Opening defined benefit obligation | 1,388,000 | 1,144,000 |
| Current service cost | 140,000 | 139,000 |
| Interest cost | 68,000 | 47,000 |
| Contributions by scheme participants | 33,000 | 34,000 |
| Actuarial Losses | 251,000 | 76,000 |
| Benefits paid | (29,000) | (52,000) |
| Closing defined benefit obligation | 1,851,000 | 1,388,000 |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

20. PENSION COMMITMENTS (continued)

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

| | 2014 £ | 2013 £ |
|-------------------------------------|-----------|-----------|
| Opening fair value of scheme assets | 524,000 | 357,000 |
| Expected return on assets | 35,000 | 21,000 |
| Actuarial gains and (losses) | 126,000 | 40,000 |
| Contributions by employer | 122,000 | 124,000 |
| Contributions by employees | 33,000 | 34,000 |
| Benefits paid | (29,000) | (52,000) |
| | 811,000 | 524,000 |

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £125,000 loss (2013 - £36,000 loss).

The academy expects to contribute £121,000 to its Defined benefit pension scheme in 2015.

The expected returns of the major categories of scheme assets are as follows:

| | 2014 | 2013 |
|---------------------------|--------|--------|
| Equities | 6.70 % | 6.50 % |
| Gilts | 3.00 % | 3.50 % |
| Other bonds | 3.60 % | 4.40 % |
| Alternative Assets | 6.70 % | 6.50 % |
| Property | 5.90 % | 6.00 % |
| Cash | 2.90 % | 0.50 % |
| Overseas Equities | 6.70 % | - % |
| Private Equity | 6.70 % | - % |
| Hedge Funds | 6.70 % | - % |
| Absolute Return Portfolio | 6.70 % | - % |
| Total | 5.70 % | 6.10 % |

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

| | 2014 | 2013 |
|--|--------|--------|
| Discount rate for scheme liabilities | 4.00 % | 4.70 % |
| Rate of increase in salaries | 4.50 % | 5.10 % |
| Rate of increase for pensions in payment / inflation | 2.70 % | 2.90 % |
| Inflation assumption (CPI) | 2.70 % | 2.90 % |
| RPI Increase | 3.50 % | 3.70 % |

BURNHAM GRAMMAR SCHOOL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

20. PENSION COMMITMENTS (continued)

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

| | 2014 | 2013 |
|----------------------|------|------|
| Retiring today | | |
| Males | 23.6 | 20.1 |
| Females | 26.1 | 24.1 |
| Retiring in 20 years | | |
| Males | 25.8 | 22.1 |
| Females | 28.3 | 26 |

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

| | 2014 £ | 2013 £ |
|--|-------------|-------------|
| Defined benefit obligation | (1,851,000) | (1,388,000) |
| Scheme assets | 811,000 | 524,000 |
| Deficit | (1,040,000) | (864,000) |
| Experience adjustments on scheme liabilities | (251,000) | (76,000) |
| Experience adjustments on scheme assets | 126,000 | 40,000 |

21. OPERATING LEASE COMMITMENTS

At 31 August 2014 the academy had annual commitments under non-cancellable operating leases as follows:

| | 2014 £ | 2013 £ |
|-----------------------|-----------|-----------|
| Expiry date: | | |
| Within 1 year | - | 2,130 |
| Between 2 and 5 years | 7,185 | - |

22. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy's operations and the composition of the Governing Body being drawn from local public and private sector organisations, transactions may take place with organisations in which a Governor 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.

There were no such related party transactions during the period.

Landau Baker Limited

Chartered Accountants

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Registrar of Companies
Companies House
Crown Way
Cardiff
CF14 3UZ

Our Ref: MD/NN/1593

Date: 6 January 2015

Dear Sir,

DRAPERS' ACADEMY - COMPANY REGISTRATION NUMBER 07035556

We herewith enclose financial statements for the period ended 31 August 2014 for our above named client.

Yours faithfully,

Landau Baker Limited

LANDAU BAKER LIMITED

Encl.

Directors: D. N. Lew BA, FCA M. B. Durst FCA

Registered in England & Wales. Company number 4630139

Registered by The Institute of Chartered Accountants in England and Wales to carry out company audit work