

**Cheltenham Bournside School and Sixth Form Centre
(a company limited by guarantee)**

**Annual Report and Financial Statements
For the Year Ended 31 August 2015**

**Company Registration Number:
07524244 (England and Wales)**

CHELTENHAM BOURNSIDE SCHOOL AND SIXTH FORM CENTRE

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**CHELTENHAM BOURNSIDE SCHOOL AND SIXTH FORM CENTRE
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2015**

Governors

Neil Spurrier (Chair)
Susan Tovell (Vice Chair)
Allan Foulds (Headteacher)
Ian Batty
Keith Chamberlain
Philip Avery (resigned 13 July 2015)
Stephen Reis
Stephen Rudge
Andrew Ponting (resigned 18 May 2015)
Richard Knight
Angie Langley
Tim Mansfield
Antonia Noble
Robert Farrow (Staff Governor)
Matthew Gray (Staff Governor)
Vanessa Weir (Staff Governor) (resigned 22 May 2015)
Scott Harvey (appointed 1 September 2014)
Nicola Hayward (appointed 6 October 2014)
Krissy Scott (appointed 6 October 2014)
Katherine Safe (Staff Governor) (appointed 23 May 2015)

Company Secretary

Alan Hastings

Senior Staff Members (Senior Leadership Team)

Headteacher	Allan Foulds
Business Manager	Alan Hastings
Deputy Headteacher	Gareth Burton
Deputy Headteacher	Jules Godfrey
Assistant Headteacher	Beth Warren
Assistant Headteacher	Sally Lees
Assistant Headteacher	Karen Hanley
Assistant Headteacher	David Hillyard
Assistant Headteacher	Michael Stratford

Registered Office

Warden Hill Road
Cheltenham
Gloucestershire
GL51 3EF

Independent Auditor

Crowe Clark Whitehill LLP
Carrick House
Lypiatt Road
Cheltenham, Gloucestershire, GL50 2QJ

Banking & Investment Management

Yorkshire Bank
Gloucester Financial Solutions Centre
Ground Floor, Epsilon House
The Square
Gloucester Business Park West
Brockworth, Gloucestershire, GL3 4AD

Solicitors

Harrison Clark Rickerbys Limited
Ellenborough House
Wellington Street
Cheltenham, Gloucestershire, GL50 1YD

**CHELTENHAM BOURNSIDE SCHOOL AND SIXTH FORM CENTRE
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015**

STRUCTURE, GOVERNANCE AND MANAGEMENT

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

CONSTITUTION

The Academy is a company limited by guarantee and an exempt charity. The registered company number is 07524244. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Governors act as the Trustees for the charitable activities of the Academy and are also the Directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Cheltenham Bournside School and Sixth Form Centre (the "Academy").

MEMBERS' LIABILITY

The liability of the Members of the Academy is limited. Each Member undertakes to contribute such amount as may be required (not exceeding £10) to the Academy's assets if it should be wound up while he or she is a Member or within one year after he or she ceases to be a Member, for payment of the Academy's debts and liabilities before he or she ceases to be a Member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

GOVERNORS' INDEMNITIES

Indemnity insurance has been obtained which covers the liability of Governors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or duty of which they may be guilty in relation to the Academy. Also, subject to the provisions of the Companies Act 2006 every Governor or other office of the Academy shall be indemnified out of the assets of the Academy against any liability incurred by him/her in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Academy.

PRINCIPAL ACTIVITIES AND OBJECTS

The object of the Academy is to advance in the interest of the public benefit and education in the United Kingdom without prejudice by establishing, maintaining, managing and developing an Academy offering a broad and balanced curriculum.

RECRUITMENT & APPOINTMENT OF GOVERNORS

Governors are elected in accordance with the Articles of Association. The number of Governors should not be less than three but is not subject to a maximum. The Governing Body is a mix of Parent Governors, Staff Governors and Additional Governors.

Parent Governors Elections

Parent Governors generally serve for four years. Once this term has expired, or a letter of resignation has been received, the Clerk notifies parents and invites nominations for the post. The closing date for nominations should be at least six days from the date of the letter. If the number of nominations is equal to, or fewer than, the number of vacancies to be filled, a ballot need not be held. The nominee will automatically be elected and the Headteacher should ensure that the successful candidate completes a declaration form and should verify his/her identity. If there are more nominations than there are vacancies then an anonymous ballot shall be held.

Staff Governor Elections

The Headteacher is a Member of the Governing Body by virtue of his office. Both teaching and support staff paid to work at the Academy are eligible for staff governorships and are elected by the Academy staff. There should always be at least one representative from the teaching staff and one from support staff.

**CHELTENHAM BOURNSIDE SCHOOL AND SIXTH FORM CENTRE
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015**

Staff Governor Elections (continued)

Term of office is usually four years and upon a position becoming vacant the role should be advertised via a note to all staff. This should include invitations to nominate a candidate, and a nomination form to be returned by a given date. If the number of nominations is equal to the number of vacancies the nominee is automatically elected, unopposed.

Additional Governors

Additional Governors tend to be members of the local business community and are subject to the same four year tenure and training as Staff and Parent Governors.

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF GOVERNORS

On appointment, the Clerk to the Governors sends useful website links and sources of information to the new Governor. There is an opportunity to meet with the Headteacher along with a tour of the Academy. There is access to information on the Governor section of the Academy's website which includes policies, year planners, minutes and agendas. Governors are encouraged to request or suggest any training requirements. Furthermore, all Governors are subject to an enhanced DBS check.

All new Governors are inducted by the Chair and/or Vice Chair of Governors and they receive mentoring dependant on their background and experience.

ORGANISATIONAL STRUCTURE

The organisational structure consists of Governors, Senior Leadership Team, School Leadership Personnel and School Personnel. The Governors are responsible for setting policies, adopting an annual plan and budget, monitoring the Academy's progress and any senior staff appointments. The Senior Leadership Team are responsible for the implementation of Academy policy, appointing staff and spending within agreed budgets. School Leadership Personnel work with the Senior Leadership Team to ensure the Academy's aims and objectives are met. School Leadership Personnel consists of support and teaching members of staff. School Personnel is a key part of the Academy's structure which enables the achievement of Academy aims and objectives, through the distribution of leadership responsibility and accountability.

The day to day management of the Academy is delegated to the Headteacher, supported by the Senior Leadership Team. Strategic and more complex matters are presented to the Governors. To enable the Governors to perform their duties, a Committee structure has been adopted. The Committees are as follows:

- Strategy & Policy Committee
- Finance and General Purpose Committee
- Admissions Committee
- Discipline Committee
- Pay & Performance Management Committee
- Curriculum Committee
- Governance & Nomination Committee

Delegation of powers to each Committee has been agreed by the Governing Body to enable them to carry out their duties and ensure the smooth running of the Academy. Each Committee reports back to the Governing Body at each full meeting held termly. The Chairman of the Governors can take decisions on behalf of the Governing Body when a delay would prejudice the interests of the Academy.

Committee membership is determined by the Governing Body but within statutory guidelines as per the Articles of Association. Staff Governors are not permitted to be members of the Pay Committee, whereas the Chair and Vice Chair will always be members.

**CHELTENHAM BOURNSIDE SCHOOL AND SIXTH FORM CENTRE
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015**

ORGANISATIONAL STRUCTURE (continued)

Policies are reviewed and approved according to a policy schedule which is a standing item at Full Governing Body meetings and all Committee meetings.

The Policy Committee includes the following:

- Headteacher
- Chair and Vice Chair of Governors
- Chair of Finance and General Purpose Committee
- Chair of Curriculum Committee
- One other Co-opted Governor

RISK MANAGEMENT INCLUDING PRINCIPAL RISKS AND UNCERTAINTIES

The major risks to which the Academy would be exposed to a potential loss are: a reduction in income, an increase in costs, a reduction in pupil numbers and potentially loss through misappropriation or fraud. To guard against these a demographic study has been completed which identifies the number of potential students that could apply for admission at the Academy. Environmental scanning is carried out to identify any political changes that may result in reduction in funding in future years. Financial risks are limited by various internal and external processes. All transactions are reconciled in a timely manner against bank accounts. Staffing and other cost forecasts for future years are carried out continually throughout the year. As part of a Service Level Agreement (SLA) with the Local Authority, the financial operation and samples of transactions are overseen by the Local Authority area finance team.

CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

Details of related party transactions can be found in note 25 to the financial statements.

OBJECTIVES AND ACTIVITIES

Objectives and Aims

Cheltenham Bournside School and Sixth Form Centre is a mixed Academy providing education for approximately 1,700 pupils aged 11-18 years. We are intensely proud of our vibrant and forward looking school community. Our core belief is that every student develops the knowledge, skills and self-confidence to become the best they can be. This underpins all we do and is achieved:

- Through a superb standard of education, resulting in the school being a vibrant, exciting and memorable place to learn;
- By offering outstanding resources, which ensure that education at the school is brought alive and that our students are supported and challenged appropriately; and
- By understanding each individual and ensuring that they are safe, happy and well-supported.

Every person who belongs to our Academy is unique. We strive to secure the highest standards of achievement for all, based on a secure and deep understanding of each individual and his or her capacity to excel. The pursuit of excellence across the Academy's activity is demonstrated by a constant drive to improve or maintain high levels of achievement and personal development for all.

We support and value a well ordered and caring environment. Everything we do is underpinned by tolerance, honesty, co-operation and mutual respect. We want our students to feel that this is their Academy and that it exists to serve their best interests.

Our students and staff are clear that the Academy is an exciting and rewarding place in which to learn and teach. Students and staff are supported well, challenged appropriately and know what is expected of them.

**CHELTENHAM BOURNSIDE SCHOOL AND SIXTH FORM CENTRE
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015**

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The Academy's headline figures for 2014 in terms of realisation of its achievements and performance are:

Area	Objective	2015 Performance
KS4	Value added in terms of 'Progress 8'	-0.07
KS4	Maths progress levels at expected progress	63%
KS4	Maths progress levels at more than expected progress	24%
KS4	English progress levels at expected progress	71%
KS4	English progress levels at more than expected progress	31%
KS4	EBacc Suite VA	All subjects in line with or above national performance
Post-16 Year 12	A level performance score	ALPS level 3 (clear value added)
Post-16 Year 13	A level performance score	ALPS level 4 (uplift from 2014)
Post-16	Retention, achievement and success	Above national average

Outlined below are the principles that are applied at Cheltenham Bournside School and Sixth Form Centre in order to exceed learning and teaching expectations:

1. We are intent on all pupils and staff enjoying school life and endeavour to recognise and reward talent and excellence;
2. To ensure each child has the same access to high quality learning in terms of resourcing, care and tuition;
3. To instil values that help sustain a high quality of teaching/learning environment and prepare pupils for the future, i.e. punctuality, tolerance, honesty, reliability, empathy, courage, co-operation and mutual respect for others and their property;
4. To provide value for money and seek to be cost effective and efficient in all activity related to received funds;
5. To provide the necessary educational support suited to our students varying capabilities and proficiencies; essential to their personal development and growth;
6. To encourage the development of character, curiosity, independence, a strong personal and moral code and creativity in both students and staff;
7. To deliver the experience and professionalism of a high calibre of academic staff and encourage collegial harmony in order that staff share knowledge and exchange ideas;
8. To provide a challenging yet balanced curriculum complying with all appropriate statutory requirements; and
9. To work in close partnership with parents in order to achieve our aims and objectives.

Strategies

The Academy's strategies are as follows:

1. To raise educational standards by ensuring the highest quality teaching using the best possible techniques and approaches;
2. To develop, where appropriate, personalised learning pathways in accordance with the curriculum providing the opportunity to develop special skills and talents;
3. To provide quality assurance tools to evaluate performance; and
4. To ensure that all long term and short term plans for the Academy are met using School Improvement Plans (SIP).

**CHELTENHAM BOURNSIDE SCHOOL AND SIXTH FORM CENTRE
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015**

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 principle in preparing the financial statements.

FINANCIAL REVIEW

During the period 1 September 2014 to 31 August 2015 the main source of income for the Academy has been that received from the Education Funding Agency (EFA) in the form of a General Annual Grant (GAG). The Academy has also received income from Gloucestershire County Council for Special Educational Needs (SEN) which the Academy uses to support pupils with statements. Income has also been generated by the Academy from activities such as the sports centre operation and educational trips. The total income for the year was £8,954,260 (2014 - £8,706,034).

The Academy is popular and oversubscribed and so operates at full capacity. In the main, all of the income the Academy expected to achieve throughout the year was realised. Expenditure was as expected and projected throughout the year. There were no unusual occurrences with either income or expenditure. The Academy was able to manage effectively with its existing resources and held the sufficient contingency to cover unforeseen eventualities. Total expenditure during the year was £8,987,531 (2014 -£8,748,195).

Capital grants from the EFA have been received and spent accordingly on the relevant projects. The private funds accounts have also been included in these financial statements and those of the prior year.

Reserves Policy

The Governors have reviewed the reserves of the Academy. This review encompassed the nature of income and expenditure streams, the need to match them with commitments and the nature of reserves. The level of reserves will be kept under review by the Governors.

The Academy held fund balances at 31 August 2015 of £20,634,611 (2014 - £20,634,882) comprising £22,168,421 (2014 - £22,298,611) of restricted funds, £2,694,000 of pension reserve deficit (2014 - £2,629,000) and £1,160,190 (2014 - £965,271) of unrestricted general funds which also represent free reserves.

With regard to the deficit on the pension reserve, the Academy will continue to make contributions to the Local Government Pension Scheme (LGPS) with actuarial advice, and has no plans to increase contributions above the recommended level.

THE FUTURE

The Academy will continue to seek funding opportunities, together with utilising its own resources to deliver a programme of continuous improvement to the building infrastructure to enable the Academy to meet its strategic objectives, both now and in the future.

The Academy has developed and will apply strategies to enable the Academy to maintain its strong financial position in the face of Government reforms that will result in a reduction in sixth form funding nationally.

The Academy has reviewed its current practices and structures and has plans to respond to the changing environment in relation to curriculum, assessment and accountability following recent Government reforms.

The Academy will continue to develop leadership at all levels with relevant continuing professional improvement.

The Academy has plans to further develop the use of new and changing information technologies to maximise our efficiency and effectiveness in delivering the best possible outcomes for our students.

**CHELTENHAM BOURNSIDE SCHOOL AND SIXTH FORM CENTRE
GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015**

Auditor

Insofar as the Governors are aware:

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

The appointment of the current auditor, Crowe Clark Whitehill LLP, will be continued in accordance with Section 487(2) of the Companies Act 2006.

The Governors report, incorporating a Strategic Report, approved by order of the Board of Governors, on and signed on the Board's behalf by:

A handwritten signature in black ink, appearing to read 'N Spurrier', with a long horizontal line extending to the right.

N Spurrier
Chairman of the Board of Governors

**CHELTENHAM BOURNSIDE SCHOOL AND SIXTH FORM CENTRE
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

SCOPE OF RESPONSIBILITY

As Governors, we acknowledge we have overall responsibility for ensuring that Cheltenham Bournside School and Sixth Form Centre has an effective and appropriate system of control, financial and otherwise. This 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 Cheltenham Bournside School and Sixth Form Centre and the Secretary of State for Education. The Headteacher is also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' responsibilities. The Full Governing Body has formally met 6 times during the year. Attendance during the year at meetings of the Full Governing Body was as follows:

Governor Meetings Attended Out of a possible

Governor	Meetings Attended	Out of a Possible
A Foulds (Headteacher)	6	6
N Spurrier (Chair)	6	6
S Tovell (Vice Chair)	5	6
I Batty	6	6
K Chamberlain	4	6
P Avery	3	6
S Reis	6	6
S Rudge	2	6
A Ponting	1	5
R Knight	4	6
A Langley	6	6
T Mansfield	6	6
A Noble	4	6
S Harvey	5	6
K Scott	3	5
N Hayward	3	5
R Farrow (Staff Governor)	6	6
M Gray (Staff Governor)	5	6
V Weir (Staff Governor)	4	5
K Safe (Staff Governor)	1	1

The Financial and General Purpose Committee is a subcommittee of the main Governing Body. Its purpose is to review and monitor the financial and business matters of the Academy. Attendance at meetings in the year were as follows:

Governor	Meetings Attended	Out of a Possible
A Foulds	5	5
N Spurrier	5	5
S Tovell	4	5
K Scott	2	5
T Mansfield	5	5
S Reis	5	5
A Ponting	3	5
R Farrow	5	5
K Safe	1	5

**CHELTENHAM BOURNSIDE SCHOOL AND SIXTH FORM CENTRE
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

THE PURPOSE OF INTERNAL CONTROLS

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

CAPACITY TO HANDLE RISK

The Governing Body has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy'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 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 and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed a Responsible Officer. The Responsible Officer's role is fully defined and includes performing a range of checks on the Academy's financial systems.

Review of Effectiveness

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

- the work of the Responsible Officer;
- the work of the External Auditor;
- the work of the executive managers with 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 and General Purposes Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Members of the Governing Body on _____ and signed on its behalf
by:

N Spurrier
Chairman of the Board of Governors

A Foulds
Accounting Officer

**CHELTENHAM BOURNSIDE SCHOOL AND SIXTH FORM CENTRE
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2015**

As Accounting Officer of Cheltenham Bournside School and Sixth Form Centre I have considered my responsibility to notify the Academy's Board of Governors and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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

A Foulds

Accounting Officer

Date

**CHELTENHAM BOURNSIDE SCHOOL AND SIXTH FORM CENTRE
STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2015**

The Governors (who are also Directors of the Charitable Company for the purposes of company law) are responsible for preparing the Governor's annual 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 the incoming resources and application of resources, including the income and expenditure for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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 Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions, 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 that grants received from the EFA/DFE have been applied for the purpose 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 Governing Body on _____ and signed on its behalf
by:

N Spurrier
Chairman of the Board of Governors

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHELTENHAM BOURNSIDE SCHOOL
AND SIXTH FORM CENTRE
FOR THE YEAR ENDED 31 AUGUST 2015**

We have audited the financial statements of Cheltenham Bournside School and Sixth Form Centre for the year ended 31 August 2015 set out pages 16 to 32.

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

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

Respective responsibilities Governors and auditor

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

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

Scope of the audit of the financial statements

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

In addition, we read all the financial and non-financial information in the Governors' Report including the Strategic 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 Charitable Company's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including the Academies' Accounts Direction 2014 to 2015 issued by the Education Funding Agency; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHELTENHAM BOURNSIDE SCHOOL
AND SIXTH FORM CENTRE
FOR THE YEAR ENDED 31 AUGUST 2015**

Matters on which we are required to report by exception

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

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

Martin Regan

Senior Statutory Auditor

For and on behalf of

Crowe Clark Whitehill LLP

Statutory Auditor

Carrick House

Lypiatt Road

Cheltenham

Gloucestershire

GL50 2QJ

Date:

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
CHELTENHAM BOURNSIDE SCHOOL AND SIXTH FORM CENTRE AND THE EDUCATION
FUNDING AGENCY
FOR THE YEAR ENDED 31 AUGUST 2015**

In accordance with the terms of our engagement letter dated 26 September 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether, the expenditure disbursed and income received by Cheltenham Bournside School and Sixth Form Centre 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 Governing Body and the EFA in accordance with the terms of our engagement. Our work has been undertaken so that we might state to Cheltenham Bournside School and Sixth Form Centre and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Cheltenham Bournside School and Sixth Form Centre and the EFA, for our review work, for this report, or for the conclusion we have formed.

Respective responsibilities of Academy Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Cheltenham Bournside School and Sixth Form Centre's funding agreement with the Secretary of State of Education dated 26 April 2011, 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 and the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
CHELTENHAM BOURNSIDE SCHOOL AND SIXTH FORM CENTRE AND THE EDUCATION
FUNDING AGENCY
FOR THE YEAR ENDED 31 AUGUST 2015**

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Crowe Clark Whitehill LLP

Statutory Auditor
Carrick House
Lypiatt Road
Cheltenham
Gloucestershire
GL50 2QJ

Date:

CHELTENHAM BOURNSIDE SCHOOL AND SIXTH FORM CENTRE
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL
RECOGNISED GAINS AND LOSSES)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted General Fund £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2015 £	Total 2014 £
Incoming resources						
Incoming resources from generated funds:						
Voluntary income	4	196	-	-	196	-
Activities for generating funds	5	328,710	-	-	328,710	326,669
Incoming resources from charitable activities:						
Funding for educational operations	6	199,698	8,303,631	34,578	8,537,907	8,309,850
Other income	7	<u>87,447</u>	<u>-</u>	<u>-</u>	<u>87,447</u>	<u>69,515</u>
Total incoming resources		<u>616,051</u>	<u>8,303,631</u>	<u>34,578</u>	<u>8,954,260</u>	<u>8,706,034</u>
Resources expended						
Cost of generating funds:						
Catering costs	8	102,621	-	-	102,621	170,236
Charitable activities:						
Academy's educational operations	9	247,431	8,114,489	506,977	8,868,897	8,560,251
Governance costs	10	<u>-</u>	<u>16,013</u>	<u>-</u>	<u>16,013</u>	<u>17,708</u>
Total resources expended	8	<u>350,052</u>	<u>8,130,502</u>	<u>506,977</u>	<u>8,987,531</u>	<u>8,748,195</u>
Net incoming/(outgoing) resources before transfers		265,999	173,129	(472,399)	(33,271)	(42,161)
Gross transfers between funds	17	<u>(71,080)</u>	<u>-</u>	<u>71,080</u>	<u>-</u>	<u>-</u>
Net income/(expenditure) for the year		194,919	173,129	(401,319)	(33,271)	(42,161)
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension schemes	21	<u>-</u>	<u>33,000</u>	<u>-</u>	<u>33,000</u>	<u>(997,000)</u>
Net movement in funds		194,919	206,129	(401,319)	(271)	(1,039,161)
Reconciliation of funds						
Total funds brought forward at 1 September 2014	17	<u>965,271</u>	<u>(2,206,891)</u>	<u>21,876,502</u>	<u>20,634,882</u>	<u>21,674,043</u>
Total funds carried forward at 31 August 2015	17	<u>1,160,190</u>	<u>(2,000,762)</u>	<u>21,475,183</u>	<u>20,634,611</u>	<u>20,634,882</u>

All of the Academy's activities derive from continuing operations during the above two financial years.

The notes on pages 19 to 32 form part of these financial statements.

**CHELTENHAM BOURNSIDE SCHOOL AND SIXTH FORM CENTRE
COMPANY NUMBER 07524244**

**BALANCE SHEET
AS AT 31 AUGUST 2015**

	Note	2015		2014	
		£	£	£	£
Fixed assets					
Tangible fixed assets	13		21,475,183		21,876,502
Current assets					
Debtors	14	162,855		326,302	
Cash at bank and in hand		<u>2,003,094</u>		<u>1,663,606</u>	
		2,165,949		1,989,908	
Creditors: Amounts falling due within one year	15	<u>(312,521)</u>		<u>(602,528)</u>	
Net current assets			<u>1,853,428</u>		<u>1,387,380</u>
Total assets less current liabilities (excluding pension liability)			23,328,611		23,263,882
Pension scheme liability	21		<u>(2,694,000)</u>		<u>(2,629,000)</u>
Net assets including pension liability			<u>20,634,611</u>		<u>20,634,882</u>
Funds:					
Restricted funds					
Restricted fixed asset funds	17		21,475,183		21,876,502
General funds	17		693,238		422,109
Pension reserve	17		<u>(2,694,000)</u>		<u>(2,629,000)</u>
Total Restricted funds			19,474,421		19,669,611
Unrestricted funds					
General fund	17		<u>1,160,190</u>		<u>965,271</u>
TOTAL FUNDS			<u>20,634,611</u>		<u>20,634,882</u>

The financial statements on pages 16 to 32 were approved and authorised for issue by the Governors onand signed on their behalf by:

N Spurrier
Chairman of the Board of Governors

The notes on pages 19 to 32 form part of these financial statements.

**CHELTENHAM BOURNSIDE SCHOOL AND SIXTH FORM CENTRE
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

	Note	2015 £	2014 £
Net cash flow from operating activities	22	410,568	495,007
Capital expenditure and financial investment	23	<u>(71,080)</u>	<u>(714,737)</u>
Increase/(decrease) in cash and cash equivalents	24	<u>339,488</u>	<u>(219,730)</u>
Reconciliation of net cash flow to movement in net funds			
Movement in cash		339,488	(219,730)
Net funds at 1 September 2014		<u>1,663,606</u>	<u>1,883,336</u>
Net funds at 31 August 2015		<u>2,003,094</u>	<u>1,663,606</u>

The notes on pages 19 to 32 form part of these financial statements.

**CHELTENHAM BOURNSIDE SCHOOL AND SIXTH FORM CENTRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. STATUS OF THE ACADEMY

The Academy is a Company limited by guarantee. Each Member of the Charitable Company has undertaken to contribute up to £10 to the Academy's assets if it should be wound up.

2. ACCOUNTING POLICIES

a) Basis of accounting

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission Statement of Recommended Practice: "Accounting and Reporting by Charities", ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by the EFA and the Companies Act 2006.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Academy financial statements.

b) Going concern

The Academy has cash resources and has no requirement for external funding. The Governors have a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

c) Fund accounting

Unrestricted funds are those funds which may be used towards meeting the objectives of the Academy at the discretion of the Governors.

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

Restricted fixed asset funds are funds raised for the purpose of specific capital projects.

d) Incoming resources

Incoming resources are included in the Statement of Financial Activities ("SOFA") when the Academy is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Grant income and grants for premises and equipment are recognised in the SOFA in the year in which they are receivable. The balance of income received for specific purposes but not expended during the year is shown in the relevant fund on the balance sheet. Where entitlement occurs before income is received, the income is accrued. Deferred income represents grant monies received for the provision of education which relate to the next financial period.

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 income fund.

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

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

e) Resources expended

All outgoing resources are included in the SOFA on an accruals basis. Outgoing resources are included net of recoverable VAT in accordance with the provisions of the Finance Bill 2011.

Cost of generating funds are costs incurred attracting voluntary income and those incurred in trading activities that raise funds. Catering costs comprise the provision of a catering facility within the Academy. Charitable activities are costs incurred on the Academy's educational operations.

**CHELTENHAM BOURNSIDE SCHOOL AND SIXTH FORM CENTRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

2. ACCOUNTING POLICIES (Continued)

f) Resources expended (continued)

Governance costs are those which relate to compliance with constitutional and statutory requirements of the Academy as well as costs associated with defining the strategic direction of the Academy.

Support costs are those costs incurred directly in support of expenditure on the objects of the Academy and include an appropriate apportionment of management overheads.

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 charge allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

g) Tangible fixed assets

Tangible fixed assets acquired since the Academy was established are included in the financial statements at cost.

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 and are released over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

The de minimis limit for capitalisation of fixed assets is £1,000.

Land is not depreciated. Depreciation is provided to write off the cost less estimated residual value of tangible fixed assets by equal annual instalments over their useful lives as follows:

Freehold buildings	-	2% straight-line
Computer equipment	-	25% straight-line
Fixtures and fittings	-	10% straight-line
Academy equipment	-	10% straight-line

h) Pensions

The Academy participates in two pension schemes providing benefits based on final pensionable pay. More details of the schemes are given in note 21.

Teachers' Pension Scheme

Teaching staff employed under a contract of service are eligible to contribute to the Teachers' pension Scheme (TPS). As the Academy is unable to identify its share of the underlying (notional) assets and liabilities of the scheme, it 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 pension costs for the scheme represent the contributions payable by the Academy in the year.

Local Government Pension Scheme

Non-teaching Members of staff are offered Membership of the Local Government Pension Scheme (LGPS). The LGPS is a defined benefit scheme and is able to identify the Academy's share of assets and liabilities and the requirements of FRS 17, Retirement Benefits, have been followed.

i) Recognition of liabilities

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

j) Interest receivable

Interest on deposit and other accounts is allocated to income in the year in which it is receivable.

**CHELTENHAM BOURNSIDE SCHOOL AND SIXTH FORM CENTRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

2. ACCOUNTING POLICIES (Continued)

k) Leases

Operating lease rentals are charged to the Statement of Financial Activities on a straight line basis over the lease term.

l) Taxation

The Academy, as an exempt charity, is not liable to taxation to the extent that such income or gains are applied exclusively to charitable purposes.

m) Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from EFA. Payments received from EFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received and paid and any balances held are disclosed in note 27.

3. GENERAL ANNUAL GRANT (GAG)

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

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

4. VOLUNTARY INCOME

	Unrestricted funds £	Restricted funds £	2015 Total £	2014 Total £
Donations - capital	196	-	196	-
	<u>196</u>	<u>-</u>	<u>196</u>	<u>-</u>

5. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds £	Restricted funds £	2015 Total £	2014 Total £
Rental and sports centre income	148,672	-	148,672	148,492
Catering income	180,038	-	180,038	178,177
	<u>328,710</u>	<u>-</u>	<u>328,710</u>	<u>326,669</u>

**CHELTENHAM BOURNSIDE SCHOOL AND SIXTH FORM CENTRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

6. FUNDING FOR EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	2015 Total £	2014 Total £
DfE/EFA capital grants				
Formula capital grant	-	34,578	34,578	31,894
Capital maintenance grant	-	-	-	-
	<u>-</u>	<u>34,578</u>	<u>34,578</u>	<u>31,894</u>
DfE/EFA revenue grants				
General Annual Grant (GAG) (Note 3)	-	7,850,206	7,850,206	7,735,926
Pupil premium and other grants	-	254,782	254,782	198,262
	<u>-</u>	<u>8,104,988</u>	<u>8,104,988</u>	<u>7,934,188</u>
Other government grants				
Local Authority grants	-	117,930	117,930	146,333
Other grants	-	80,713	80,713	21,595
	<u>-</u>	<u>198,643</u>	<u>198,643</u>	<u>167,928</u>
Other non-Government income				
Academy funds	<u>199,698</u>	-	<u>199,698</u>	<u>175,840</u>
	<u>199,698</u>	<u>8,338,209</u>	<u>8,537,907</u>	<u>8,309,850</u>

7. OTHER INCOME

	Unrestricted funds £	Restricted funds £	2015 Total £	2014 Total £
School trips	87,447	-	87,447	63,262
Contributions for exam fees	-	-	-	6,253
	<u>87,447</u>	<u>-</u>	<u>87,447</u>	<u>69,515</u>

8. TOTAL RESOURCES EXPENDED

	Non-pay expenditure			2015 Total £	2014 Total £
	Staff costs £	Depreciation £	Other £	£	£
Cost of generating funds					
Catering costs	-	-	102,621	102,621	170,236
Charitable Activities					
Educational operations					
Direct costs	5,687,827	506,977	889,474	7,084,278	6,980,343
Allocated support costs	<u>906,231</u>	-	<u>878,388</u>	<u>1,784,619</u>	<u>1,579,908</u>
	<u>6,594,058</u>	<u>506,977</u>	<u>1,767,862</u>	<u>8,868,897</u>	<u>8,560,251</u>
Governance costs including allocated support costs					
	-	-	16,013	16,013	17,708
	<u>6,594,058</u>	<u>506,977</u>	<u>1,886,496</u>	<u>8,987,531</u>	<u>8,748,195</u>

**CHELTENHAM BOURNSIDE SCHOOL AND SIXTH FORM CENTRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

8. TOTAL RESOURCES EXPENDED (Continued)

Outgoing resources for the year include:	2015	2014
	£	£
Operating leases - plant and machinery	13,284	17,173
Fees payable to auditor		
- audit fees	8,910	8,570
- other services	4,500	4,330
Loss on disposal of fixed assets	<u>-</u>	<u>4,938</u>

9. CHARITABLE ACTIVITIES – ACADEMY’S EDUCATIONAL OPERATIONS

	Unrestricted Funds £	Restricted Funds £	Total 2015 £	Total 2014 £
<i>Direct costs</i>				
Teaching and educational support staff costs	-	5,687,827	5,687,827	5,671,986
Depreciation	-	506,977	506,977	497,630
Loss on disposal of fixed assets	-	-	-	4,938
Educational supplies	-	323,071	323,071	276,080
Educational activities	247,431	-	247,431	200,427
Examination fees	-	148,999	148,999	160,046
Staff development	-	26,153	26,153	45,380
Other direct costs	<u>-</u>	<u>143,820</u>	<u>143,820</u>	<u>123,856</u>
	<u>247,431</u>	<u>6,836,847</u>	<u>7,084,278</u>	<u>6,980,343</u>
<i>Allocated support costs</i>				
Support staff costs	-	906,231	906,231	800,174
Maintenance of premises and equipment	-	161,007	161,007	83,471
Cleaning	-	146,144	146,144	134,173
Rent & rates	-	33,214	33,214	26,556
Insurance	-	16,392	16,392	78,392
Security and transport	-	31,458	31,458	62,367
Professional fees	-	140,310	140,310	68,442
Other support costs	<u>-</u>	<u>349,863</u>	<u>349,863</u>	<u>326,333</u>
	<u>-</u>	<u>1,784,619</u>	<u>1,784,619</u>	<u>1,579,908</u>
	<u>247,431</u>	<u>8,621,466</u>	<u>8,868,897</u>	<u>8,560,251</u>

10. GOVERNANCE COSTS

	Unrestricted funds £	Restricted funds £	2015 Total £	2014 Total £
Legal and professional fees	-	2,603	2,603	4,808
Auditor’s remuneration:				
audit of the financial statements	-	8,910	8,910	8,570
other services	<u>-</u>	<u>4,500</u>	<u>4,500</u>	<u>4,330</u>
	<u>-</u>	<u>16,013</u>	<u>16,013</u>	<u>17,708</u>

**CHELTENHAM BOURNSIDE SCHOOL AND SIXTH FORM CENTRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

11. STAFF COSTS

Staff costs

The aggregate payroll costs during the year amounted to

	2015 £	2014 £
Wages and salaries	5,070,299	4,978,392
Social security costs	384,299	382,971
Other pension costs	<u>921,484</u>	<u>829,828</u>
	6,376,082	6,191,191
Supply teacher costs	140,530	175,307
Supply costs – support staff	68,519	76,315
Severance payments	<u>8,927</u>	<u>29,347</u>
	<u>6,594,058</u>	<u>6,472,160</u>

Included in severance payments is one non-statutory/non-contractual severance payment totalling £8,927 (2014 - £29,347). This amount was paid in full in June 2015.

Staff numbers

The average number of persons (excluding Governors), employed by the Academy during the year expressed as full time equivalent was as follows:

	2015 No.	2014 No.
Teachers	99	106
Administration and support	44	49
	<u>143</u>	<u>155</u>

Higher paid staff

The number of persons who emoluments fell within the following bands was:

	2015 No.	2014 No.
£60,001 - £70,000	1	2
£100,000 - £110,000	1	1

The above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for these members of staff amounted to £25,081 (2014 - £33,089).

Governors' remuneration

The Head teacher and staff Governors only receive remuneration in respect of services they provide in undertaking the roles of Head teacher and staff and not in respect of their services as Governors. Other Governors did not receive any payments from the Academy in respect of their role as Governors. The value of Staff Governors' remuneration was as follows:

Allan Foulds (Head teacher)	£105,000 - £110,000 (2014 - £105,000 - £110,000)
Robert Farrow	£35,000 - £40,000 (2014 - £25,000 - £30,000)
Matthew Gray	£35,000 - £40,000 (2014 - £30,000 - £35,000)
Vanessa Weir	£20,000 - £25,000 (2014 - £15,000 - £20,000)
Katherine Safe	£10,000 - £15,000 (appointed 23 May 2015)

During the year ended 31 August 2015, no expenses were reimbursed to Governors (2014- £Nil).

**CHELTENHAM BOURNSIDE SCHOOL AND SIXTH FORM CENTRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

12. GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal 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 £8million on any one claim and the cost for 2015 was £1,348 (2014 - £429).

The cost of this insurance is included in the total insurance cost.

13. TANGIBLE FIXED ASSETS

	Land and Buildings £	Computer Equipment £	Fixtures and Fittings £	Academy Equipment £	Total £
Cost					
At 1 September 2014	22,451,797	441,138	251,179	133,825	23,277,939
Additions	2,963	50,253	38,550	13,892	105,658
Disposals	-	-	-	-	-
At 31 August 2015	<u>22,454,760</u>	<u>491,391</u>	<u>289,729</u>	<u>147,717</u>	<u>23,383,597</u>
Depreciation					
At 1 September 2014	1,026,800	279,834	67,801	27,002	1,401,437
Charge for the year	349,234	117,120	26,403	14,220	506,977
On disposal	-	-	-	-	-
At 31 August 2015	<u>1,376,034</u>	<u>396,954</u>	<u>94,204</u>	<u>41,222</u>	<u>1,908,414</u>
Net book value					
At 31 August 2015	<u>21,078,726</u>	<u>94,437</u>	<u>195,525</u>	<u>106,495</u>	<u>21,475,183</u>
<i>At 31 August 2014</i>	<u>21,424,997</u>	<u>161,304</u>	<u>183,378</u>	<u>106,823</u>	<u>21,876,502</u>

Included within freehold land and buildings is land of £6,315,000 (2014 - £6,315,000).

14. DEBTORS

	2015 £	2014 £
Trade debtors	15,446	16,268
Prepayments	88,627	88,962
Accrued income	1,297	162,002
Other debtors	<u>57,485</u>	<u>59,070</u>
	<u>162,855</u>	<u>326,302</u>

15. CREDITORS DUE WITHIN ONE YEAR

	2015 £	2014 £
Trade creditors	22,041	-
Social Security and other taxes	111,919	112,519
Accruals	32,821	78,972
Deferred income (see note 16)	30,566	-
Other creditors	<u>115,174</u>	<u>411,037</u>
	<u>312,521</u>	<u>602,528</u>

**CHELTENHAM BOURNSIDE SCHOOL AND SIXTH FORM CENTRE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

16. DEFERRED INCOME

	2015 £	2014 £
At 1 September 2014	-	18,522
Released in the year	-	(18,522)
Deferred in year	<u>30,566</u>	-
At 31 August 2015	<u>30,566</u>	-

During the year ended 31 August 2015, the Academy was holding funds for EFA GAG rates relief funding received in advance of the 2015/16 academic year.

17. FUNDS

The income funds of the Academy comprise the following balances of grants to be applied for specific purposes.

	Balance at 1 September 2014 £	Incoming Resources £	Resources Expended £	Transfers and actuarial losses £	Balance at 31 August 2015 £
Restricted general funds					
General Annual Grant	422,109	7,850,206	(7,579,077)	-	693,238
DfE/EFA capital maintenance grants	-	-	-	-	-
Pupil premium and other grants	-	254,782	(254,782)	-	-
Other government grants	-	198,643	(198,643)	-	-
Pension reserve (note 21)	<u>(2,629,000)</u>	-	<u>(98,000)</u>	<u>33,000</u>	<u>(2,694,000)</u>
	<u>(2,206,891)</u>	<u>8,303,631</u>	<u>(8,130,502)</u>	<u>33,000</u>	<u>(2,000,762)</u>
Restricted fixed asset funds					
Formula capital grant	64,396	34,578	-	-	98,974
Fixed assets	<u>21,812,106</u>	-	<u>(506,977)</u>	<u>71,080</u>	<u>21,376,209</u>
	<u>21,876,502</u>	<u>34,578</u>	<u>(506,977)</u>	<u>71,080</u>	<u>21,475,183</u>
Total restricted funds	<u>19,669,611</u>	<u>8,338,209</u>	<u>(8,637,479)</u>	<u>104,080</u>	<u>19,474,421</u>
Total unrestricted funds					
Unrestricted general fund	<u>965,271</u>	<u>616,051</u>	<u>(350,052)</u>	<u>(71,080)</u>	<u>1,160,190</u>
Total Funds	<u>20,634,882</u>	<u>8,954,260</u>	<u>(8,987,531)</u>	<u>33,000</u>	<u>20,634,611</u>

Restricted general funds

The General Annual Grant is subject to specific expenditure within the Academy's declared objectives. Other DfE/EFA grants relate to Government funding for the provision of education by the Academy and have been fully expended in the year. Funding is repayable if the Academy does not meet all funding requirements.

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

The capital maintenance grant allocation to restricted general funds reflects the purpose for which the grants are provided.

Other funds include pupil premium and other government grants which are to be spent on various restricted purposes as detailed in the original grant letter. The Local Government Pension Scheme is also included within this fund. Please refer to note 21 for further details regarding this balance.

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17. FUNDS (Continued)

Restricted fixed asset funds

These funds relate to the land, buildings and other fixed assets which are owned by the Academy and used in accordance with the charitable objectives.

Unrestricted funds

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

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

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted General Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Pension Reserve £	Total Funds 2015 £	<i>Total Funds 2014 £</i>
Tangible fixed assets	-	-	21,475,138	-	21,475,183	21,876,502
Current assets	1,160,190	1,005,759	-	-	2,165,949	1,989,908
Current liabilities	-	(312,521)	-	-	(312,521)	(602,528)
Pension scheme liability	-	-	-	(2,694,000)	(2,694,000)	(2,629,000)
	<u>1,160,190</u>	<u>693,238</u>	<u>21,475,183</u>	<u>(2,694,000)</u>	<u>20,634,611</u>	<u>20,634,882</u>

19. CAPITAL COMMITMENTS

There were no capital commitments at 31 August 2015 (2014 - £Nil).

20. LEASE COMMITMENTS

The Academy has the following annual commitments under non-cancellable operating leases other than land and buildings which expire as follows:-

	2015 £	2014 £
Within one year	13,284	3,700
In two to five years	<u>13,284</u>	-
	<u>26,568</u>	<u>3,700</u>

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21. PENSION AND SIMILAR OBLIGATIONS

The Academy is a Member of two pension schemes.

Teachers' Pension Scheme (TPS)

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

The pension charge for the year includes contributions payable to the TPS of £827,809 (2014- £783,114), at the year-end £70,239 (2014- £66,896) was accrued in respect of the contributions to this scheme.

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £339,000, of which employer's contributions totalled £273,000 and employees' contributions totalled £66,000. The agreed contribution rates for future years are 19.5% (2014 - 19.5%) for employers and an average of 6.5% (2014 – 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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21. PENSION AND SIMILAR OBLIGATIONS (Continued)

Principal Actuarial Assumptions

	At 31 August 2015	At 31 August 2014
Discount rate	3.8%	3.7%
Expected return on plan assets	3.8%	5.5%
Rate of increase in salaries	4.1%	4.0%
Rate of pension increase	2.7%	2.7%

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

Assumed life expectations on retirement age 65

	At 31 August 2015 Years	<i>At 31 August 2014 Years</i>
Retiring today – males	22.5	22.5
Retiring today – females	24.6	24.6
Retiring in 20 years – males	24.4	24.4
Retiring in 20 years – females	27.0	27.0

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

<u>Asset category</u>	Expected rate of return at 31 August 2015	Plan assets at 31 August 2015 £000	<i>Expected rate of return at 31 August 2014</i>	<i>Plan assets at 31 August 2014 £000</i>
Equities	3.8%	1,652,000	6.3%	1,455,000
Bonds	3.8%	527,000	3.2%	424,000
Property	3.8%	192,000	4.5%	121,000
Cash	3.8%	<u>24,000</u>	3.3%	<u>20,000</u>
Total market value of assets		2,395,000		2,020,000
Present value of scheme liabilities		<u>(5,089,000)</u>		<u>(4,649,000)</u>
Deficit in the scheme		<u>(2,694,000)</u>		<u>(2,629,000)</u>

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

The actual return on the scheme assets was £80,000 (2014 - £242,000).

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21. PENSION AND SIMILAR OBLIGATIONS (Continued)

Amounts recognised in the statement of financial activities

	2015 £	2014 £
Current service cost (net of employee contributions)	312,000	229,000
Interest cost	178,000	153,000
Expected return on plan assets	(119,000)	(102,000)
Employer contributions	<u>(273,000)</u>	<u>(230,000)</u>
Total pension cost charged within net (outgoing)/incoming resources	98,000	50,000
Actuarial (gains)/losses	<u>(33,000)</u>	<u>997,000</u>
Total amount charged to SOFA	<u>65,000</u>	<u>1,047,000</u>

Analysis of pension finance costs

	2015 £	2014 £
Expected return on pension scheme assets	119,000	102,000
Interest on pension liabilities	<u>(178,000)</u>	<u>(153,000)</u>
Pension finance costs	<u>(59,000)</u>	<u>(51,000)</u>

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £1,176,000 loss (2014 - £1,209,000 loss).

Movements in the fair value of the defined benefit obligation are as follows:

	2015 £	2014 £
At 1 September 2014	4,649,000	3,200,000
Current service cost	312,000	229,000
Interest cost	178,000	153,000
Member contributions	66,000	62,000
Actuarial (gains)/losses on liabilities	(72,000)	1,043,000
Estimated benefits paid	<u>(44,000)</u>	<u>(38,000)</u>
At 31 August 2015	<u>5,089,000</u>	<u>4,649,000</u>

Movements in the fair value of the scheme assets are as follows:

	2015 £	2014 £
At 1 September 2014	2,020,000	1,618,000
Expected return on scheme assets	119,000	102,000
Actuarial (losses)/gains	(39,000)	46,000
Employer contributions	273,000	230,000
Member contributions	66,000	62,000
Estimated benefits paid	<u>(44,000)</u>	<u>(38,000)</u>
At 31 August 2015	<u>2,395,000</u>	<u>2,020,000</u>

The estimated value of employer contributions for the year ending 31 August 2016 is £300,000.

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21. PENSION AND SIMILAR OBLIGATIONS (Continued)

Reconciliation of pension costs less employer contributions payable:

	2015 £	2014 £
Current service costs	312,000	229,000
Less: Employer contributions	<u>(273,000)</u>	<u>230,000</u>
	<u>39,000</u>	<u>(1,000)</u>

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

	2015 £	2014 £	2013 £	2012 £	2011 £
Present value of defined benefit obligations	(5,089,000)	(4,649,000)	(3,200,000)	(2,753,000)	(2,060,000)
Fair value of scheme assets	<u>2,395,000</u>	<u>2,020,000</u>	<u>1,618,000</u>	<u>1,158,000</u>	<u>794,000</u>
Deficit in the scheme	<u>(2,694,000)</u>	<u>(2,629,000)</u>	<u>(1,582,000)</u>	<u>(1,595,000)</u>	<u>(1,266,000)</u>
Experience adjustments on share of scheme assets	<u>(39,000)</u>	46,000	132,000	47,000	(52,000)
Experience adjustments on scheme liabilities	<u><u>3,000</u></u>	<u>(259,000)</u>	-	-	-

22. RECONCILIATION OF NET EXPENDITURE TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net outgoing resources	(33,271)	(42,161)
Depreciation (note 13)	506,977	497,630
Loss on disposal of fixed assets	-	4,938
Capital grants from DfE and other capital income	(34,578)	(31,894)
FRS 17 pension cost less contributions payable (note 21)	39,000	(1,000)
FRS 17 pension finance expense (note 21)	59,000	51,000
Decrease in debtors	163,447	329,302
(Decrease) in creditors	<u>(290,007)</u>	<u>(312,808)</u>
Net cash inflow from operating activities	<u>410,568</u>	<u>495,007</u>

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23. CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

	2015 £	2014 £
Purchase of tangible fixed assets	(105,658)	(746,631)
Capital grants from DfE / EFA	<u>34,578</u>	<u>31,894</u>
Net cash outflow from capital investment	<u>(71,080)</u>	<u>(714,737)</u>

24. ANALYSIS OF CHANGES IN NET FUNDS

	At 1 September 2014 £	Cash-flows £	At 31 August 2015 £
Cash at bank and in hand	<u>1,663,606</u>	<u>339,488</u>	<u>2,003,094</u>

25. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy Trust's operations and the composition of the Board of Governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

Harrison Clark Rickerbys Limited – a company in which Mr R Knight (a Governor of the Academy Trust) has an interest:

- The Trust acquired professional services from Harrison Clark Rickerbys Limited totalling £350 (2014 - £2,183) during the year. There were no amounts outstanding at 31 August 2015 (2014 - £nil).
- In entering into the transaction the Trust has complied with the requirements of the EFA's Academies Financial Handbook.

ASCL Limited – a company in which Mr A Foulds (a Governor and Head teacher of the Academy Trust) has an interest:

- The Trust acquired professional services from ASCL Limited totalling £1,206 (2014 - £Nil) during the year. There were no amounts outstanding at 31 August 2015 (2014 - £nil).
- In entering into the transaction the Trust has complied with the requirements of the EFA's Academies Financial Handbook.

Please refer to note 11 for details of Governors' remuneration.

26. MEMBERS' LIABILITY

Each Member of the Academy 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 ceased 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.

27. AGENCY ARRANGEMENTS

The Academy distributes 16-19 bursary funds to students as an agent for EFA. In the accounting period ending 31 August 2015 the Academy received £26,226 and disbursed £21,370 from the fund. An amount of £4,856 is included in other creditors relating to undistributed funds that are repayable to EFA.