

Company Registration No. 07907388 (England and Wales)

**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**GOVERNORS REPORT AND ACCOUNTS**  
**FOR THE PERIOD ENDED 31 AUGUST 2012**

THURSDAY



\*A106CRR\*

A63

20/12/2012

#74

COMPANIES HOUSE

**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**LEGAL AND ADMINISTRATIVE INFORMATION**

---

**Governors (Trustees)**

R Bird \*\* (Chair of Governors)  
G Box \*\* (Vice Chair)  
D J Crowe (Principal and Accounting Officer)  
H Rees \*\*  
M Mackrory  
S Cooper \*\*  
N Kershaw  
S Armson-Smith  
G Scott  
B Denenga  
A Allan  
S Jones  
W Quade  
K Northfield (Responsible Officer)  
R Swan \*\*  
M Pettitt \*\*  
AG Brookes \*\*  
T Millard \*  
A Carpinteiro \*  
\* Staff governors/trustees  
\*\* Members of the Finance and General Purposes Committee

**Senior managers**

D Crowe	(Headteacher)
P Webster	(Deputy Head teacher)
S Taylor	(Deputy Head teacher)
S Mansell	(Deputy Head teacher)
J Parsons	(Assistant Head teacher)
L Grover	(Assistant Head teacher)
J Church	(Head of HR and Student Planning)
B C Doy	(Business Manager)

**Secretary**

B Doy

**Company number**

07907388

**Registered office**

Burnham Road  
Chelmsford  
Essex  
CM1 6LY

---

**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**LEGAL AND ADMINISTRATIVE INFORMATION**

---

**Auditors**

Baxter & Co  
Lynwood House  
Crofton Road  
Orpington  
Kent  
BR6 8QE

**Bankers**

Lloyds TSB Bank PLC  
Ground Floor  
1 Legg Street  
Chelmsford  
Essex  
CM1 1JS

**Solicitors**

Schofield Sweeney LLP  
Church Bank House  
Church Bank  
Bradford  
BD1 4DY

---

**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**CONTENTS**

---

	<b>Page</b>
Governors report	1 - 8
Governance Statement	9 - 11
Statement of Regularity, Propriety and Compliance	12
Independent auditor's report	13 - 14
Accountants Assurance Report on Regularity	15 - 16
Statement of financial activities	17
Summary income and expenditure account	18
Balance sheet	19
Cash flow statement	20
Notes to the accounts	21 - 43

---

# **THE BOSWELLS ACADEMY TRUST (A COMPANY LIMITED BY GUARANTEE) GOVERNORS REPORT**

***FOR THE PERIOD ENDED 31 AUGUST 2012***

---

The Governors (Trustees) presents it's report and accounts for the period ended 31 August 2012

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charitable Company's Memorandum and Articles of Association, the Companies Act 2006, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005, and the Annual Accounts Direction 2011/12 issued by the EFA

## **Structure, Governance and Management**

The Charitable Company is a company limited by guarantee incorporated on 12 January 2012, and the predecessor school converted to Academy status on 1 February 2012

The members of the Governors (Trustees), who are also the directors for the purpose of company law, and who served during the period were

R Bird \*\* (Chair of Governors)

G Box \*\* (Vice Chair)

D J Crowe (Principal and Accounting Officer)

H Rees \*\*

M Mackrory

S Cooper \*\*

N Kershaw

S Armson-Smith

(Appointed 12 March 2012)

G Scott

(Appointed 12 March 2012)

B Denenga

A Allan

S Jones

W Quade

K Northfield (Responsible Officer)

R Swan \*\*

M Pettitt \*\*

AG Brookes \*\*

T Millard \*

(Appointed 27 March 2012)

A Carpintero \*

F Harris \*

(Resigned 27 April 2012)

\* Staff governors/trustees

\*\* Members of the Finance and General Purposes Committee

# **THE BOSWELLS ACADEMY TRUST**

## **(A COMPANY LIMITED BY GUARANTEE)**

### **GOVERNORS REPORT (CONTINUED)**

**FOR THE PERIOD ENDED 31 AUGUST 2012**

---

#### **Constitution**

The Boswells Academy Trust is registered under the Companies Act 2006, as a company limited by guarantee without a share capital. Each member of the company undertakes to contribute to the assets of the company in the event of the company being wound up while they are a member, or within one year after they cease to be a member. The liability of the members is limited to £10 each for the debts and liabilities contracted before they ceased to be a member. The Academy is an exempt charity. The 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 Boswells Academy Trust and are also the directors of the company for the purposes of company law.

Details of the governors who served throughout the period are included above.

#### **Members' Liability**

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

#### **Principal Activities**

The principal activity of The Boswells Academy Trust is to provide a state education to boys/girls of different abilities between the ages of 11 to 19. There is an emphasis on Expressive and Performing Arts (specialist school status). Funding is obtained from the Department for Education (DfE) through the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes.

#### **Method of Recruitment and Appointment or Election of Governors**

The Governing Body comprises the following Governors,

- a) Up to nine governors appointed by the Governors,
- b) Up to three staff governors elected by the staff,
- c) Up to seven parent governors elected by parents,
- d) The Principal is an ex-officio Governor,
- e) Further governors may be appointed by the Secretary of State.

#### **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 necessary, induction will provide training in charity and educational legal and financial matters. All governors are provided with the information needed (including policies, minutes, budgets, etc) to undertake their role as governors. The Academy also subscribes to the Governor Services provision run by the Local Authority.

**THE BOSWELLS ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)  
GOVERNORS REPORT (CONTINUED)**

**FOR THE PERIOD ENDED 31 AUGUST 2012**

---

**Organisational Structure**

The Board of Governors, the majority of whom are non-executive, comprises those persons appointed under the Articles of Association. The Board meets at least three times a year and has several committees, including a Finance and General Purposes Committee, an Audit Committee, a Staff/Student Committee and a Curriculum Committee. All of these Committees are formally constituted with terms of reference and comprise appropriately qualified and experienced members.

Governors delegate specific responsibilities to its Committees, the activities of which are reported to and discussed at Full Governing Body Meetings. Day to day management of the Academy is undertaken by the Principal, supported by the Senior Management Team.

**Principle Risks and Uncertainties including Risk Management**

The Governors (Trustees) have assessed the major risks to which the Academy is exposed, in particular those relating to academic performance, finances and child welfare. The governors have implemented a number of systems to assess risks that the Academy faces, and have developed policies and procedures to mitigate those risks. 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.

The risk management process has been codified in a risk register implemented by the Senior Management Team and overseen by Governors.

The Governors (Trustees) have assessed the major risks to which the Charitable Company is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

**Connected Organisations, including Related Party Relationships**

The Academy has two connected organisations - the Chelmsford North Local Delivery Group (LDG) and the Chelmsford and Maldon Behaviour and Attendance Partnership (BAP).

The LDG comprises a total of 22 schools - primary, secondary and special schools - across North Chelmsford providing a range of services to suit the needs of the group.

The BAP comprises a number of secondary schools in Chelmsford and Maldon meeting the requirements of 'hard to place' students as well as commissioning services to support the pastoral activities for the group of schools.

**Objectives and Activities**

The Governors (Trustees) have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charitable Company should undertake.

**Objects, Aims and Public Benefit**

The principal object of the company is to advance for the public benefit, education in the United Kingdom.

It achieves this object through the operation of The Boswells School, providing a state education, free of charge, to pupils aged 11 to 19.

**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**GOVERNORS REPORT (CONTINUED)**  
**FOR THE PERIOD ENDED 31 AUGUST 2012**

---

**Objectives, Strategies and Activities**

The main priorities of the Academy are to ensure high standards of teaching and learning, to recruit and retain high quality teaching and support staff and to establish an excellent pastoral and student support team so that all students will be encouraged to achieve their full potential

Activities provided include

- Opportunities for all students to gain appropriate academic qualifications through consistently good teaching and on-going support,
- Training and development opportunities for all staff,
- Teaching staff professional development initiative to improve teaching & learning,
- A programme of enrichment activities for all students,
- Careers advisory scheme to help students progress to further education, higher education, employment or training

**Achievements and Performance**

The school has enjoyed a very successful year Exam results were impressive, 90% (2011 79%) of pupils having attained five or more grades A - C in the Summer 2012 GCSE examinations At A Level, 73% (2011 78%) achieved two or more grades A\* - C in the A2 examinations

On the sporting front, our volleyball teams continued to win national competitions - Boys Under-16 and Under-18 teams are each national club champions Both the Girls and Boys Under-16 teams represented England at the volleyball World Schools Championships in Spain

Our Under-16 boys cricket team became the first state school in 50 years to win the Essex Under-16 Club competition

Most importantly we continue to see a significant take up in participation and we estimate that 75% of our students took part in an after-school sports club or activity

We ran several successful school trips in the year including a visit to the Olympic Games, a Boot Camp for students, a concert at the Royal Festival Hall, an Art visit to Paris and a Ski Trip to Austria to name a few

Several school productions and concerts were organised and these were well supported and attended

**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 accounts

**Key Financial Performance Indicators**

No key financial performance indicators have been set by the Governors, beyond the requirement that the financial position should remain sufficient to fund future needs The principal performance measures are non-financial, these are largely educational and pastoral



**THE BOSWELLS ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)  
GOVERNORS REPORT (CONTINUED)**

***FOR THE PERIOD ENDED 31 AUGUST 2012***

---

**Financial Review**

Most of the Academy's income is obtained from the DfE (via the Education Funding Agency) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the period ended 31 August 2012 and the associated expenditure are shown as restricted funds in the statement of financial activities.

On February 1, 2012 all the assets and liabilities of the predecessor school known as The Boswells School were transferred to the Academy. The value of the assets brought into the balance sheet as a result are shown as restricted fixed asset funds.

At 31st August 2012 the net book value of fixed assets was £7,348k and details are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

In addition to the fixed asset fund of £7,348k, the academy also held fund balances at 31 August 2012 comprising £742k of restricted general funds, £68k of restricted capital funds, £195k of unrestricted funds and a pension reserve deficit of £2.3M.

**Financial and Risk Management Objectives and Policies**

Governors keep spendable reserves under constant review to ensure that they have sufficient income to run the Academy on an efficient basis without affecting the quality of teaching and learning.

**Reserves Policy**

The purpose of the policy is

- To consider the maintenance of a minimum working reserve in order to minimise any financial risks facing the school, such as delays between spending and receipt of grants or unexpected emergencies.
- To regularly review the nature of income and expenditure streams and the need to match income with commitments,
- To maintain the appropriate level of free reserves currently approved to be between 2% and 3% of the total annual revenue income budget excluding any funds held for the BAP or LDG (for illustrative purposes this would be between £150,000 and £225,000) and
- To consider the set aside of funds for significant projects that cannot be met by future income alone.

**THE BOSWELLS ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)  
GOVERNORS REPORT (CONTINUED)**

**FOR THE PERIOD ENDED 31 AUGUST 2012**

---

**Investment Policy**

The purpose of the policy is

- To consider the management of the academy's funds bearing in mind the responsibilities that come with the receipt of central government funding
- To regularly monitor cash flow and current account balances to ensure immediate financial commitments can be met (payroll and cheque/BACS payments runs) and that the current account has adequate balances to meet forthcoming commitments
- To maintain a working balance of a minimum of £100,000 to respond to unexpected financial demands
- To avoid the academy's current account(s) going overdrawn
- To identify funds surplus to immediate cash requirements and transfer the funds an appropriate account bearing a higher interest rate
- To review interest rates periodically and compare with other investment opportunities and
- To review the academy's current policy to only invest funds in risk free and readily accessible interest bearing accounts

**Employee Involvement**

Academy staff are empowered to elect colleagues to sit and serve as Governors

**Disabled Persons**

Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to most of the main areas of the Academy. The policy of the Academy is to support recruitment and retention of students and employees with disabilities. The Academy does this by adapting the physical environment, by making support resources available and through training and career development.

**Plans for the Future**

The principal task facing the company is to maintain the excellent educational standards achieved by the school.

More specifically, over the next twelve months we plan to celebrate the school's 50th anniversary including a Garden Party, a 'Design a Mug' competition and contact with a high school in Springfield Massachusetts with a view to formally linking with them.

We are currently costing plans to establish a managed wireless network across the school in conjunction with a communications policy which will look to harness the framework within which we expect to introduce mobile and tablet technology to the school and establish it as central to learning in each classroom.

**THE BOSWELLS ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)  
GOVERNORS REPORT (CONTINUED)**

**FOR THE PERIOD ENDED 31 AUGUST 2012**

---

**Funds held as Custodian Trustee**

The Academy inherited £ 282,981 from the predecessor school representing funds held on behalf of the LDG (£ 234,666) and BAP (£ 48,315) for which the Academy is the "banker school"

Funds held at 31 August 2012 for which the charitable company acts as custodian trustee are £346,705 in respect of LDG funds and £87,038 of BAP funding

**Statement of Governors Responsibilities**

The Governors (who act as Trustees for charitable activities of The Boswells Academy Trust and are also the directors of the charitable company for the purposes of company law), is responsible for preparing the Governors Report and the accounts in accordance with applicable law and regulation, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), and the Annual Accounts Requirements issued by the Education Funding Agency

Company law requires the Governors (Trustees) to prepare accounts for each financial period Under company law the Governors (Trustees) must not approve the Accounts unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period

In preparing these accounts, the Governors (Trustees) is 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 accounts, and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in operation

The Governors (Trustees) is 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 it to ensure that the accounts comply with the Companies Act 2006 It is 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 the EFA / DfE have been applied for the purposes intended

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

**THE BOSWELLS ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)  
GOVERNORS REPORT (CONTINUED)**

***FOR THE PERIOD ENDED 31 AUGUST 2012***

---

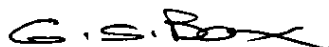
**In accordance with company law, as the company's directors, we certify that:**

- So far as we are aware, there is no relevant audit information of which the company's auditors are unaware, and

- The Governors have taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

A resolution proposing that Baxter & Co be reappointed as auditors of the company will be put to the members

On behalf of the board of Governors (Trustees)



**R Bird**

Chair of Governors

Dated 17 December 2012

# THE BOSWELLS ACADEMY TRUST (A COMPANY LIMITED BY GUARANTEE) GOVERNANCE STATEMENT

**FOR THE PERIOD ENDED 31 AUGUST 2012**

## Scope of Responsibility

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

The Governing Body has delegated the day-to-day responsibility to D Crowe, the Headteacher, as Accounting Officer for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Boswells Academy Trust 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 Governors' Report and in the Statement of Governors Responsibilities. The Governing Body has formally met four times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Governor	Meetings Attended	Out of a Possible
R Bird ** (Chair of Governors)	4	4
G Box ** (Vice Chair)	3	4
D J Crowe (Principal and Accounting Officer)	3	4
H Rees **	4	4
M Mackrory	2	4
S Cooper **	4	4
N Kershaw	4	4
S Armson-Smith	1	2
G Scott	0	2
B Denenga	2	4
A Allan	3	4
S Jones	3	4
W Quade	3	4
K Northfield (Responsible Officer)	1	4
R Swan **	1	4
M Pettitt **	3	4
AG Brookes **	3	4
T Millard *	1	2
A Carpinteiro *	4	4
F Harns *	1	3

\* Staff governor

\*\* Members of the Finance and General purposes Committee

The Finance and General Purposes Committee is a sub-committee of the main Governing Body. Its purpose is to assist and support the Governing Body, ensuring sound oversight is exercised over the management of the Academy's finances and resources. Attendance at meetings in the year was as follows:

**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**GOVERNANCE STATEMENT (CONTINUED)**  
**FOR THE PERIOD ENDED 31 AUGUST 2012**

---

<b>Governor</b>	<b>Meetings Attended</b>	<b>Out of a Possible</b>
AG Brookes (Chair)	3	3
R Bird	3	3
G Box	2	3
D J Crowe (Principal and Accounting Officer)	2	3
H Rees	3	3
M Pettitt	2	3
R Swan	2	3
S Cooper	1	3

**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 the Academy'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 The Boswells Academy Trust for the period ended 31 August 2012 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 period ended 31 August 2012 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,
- 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 BOSWELLS ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)  
GOVERNANCE STATEMENT (CONTINUED)**

**FOR THE PERIOD ENDED 31 AUGUST 2012**

---

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, in June 2012 the Governors appointed K Northfield (a governor), as Responsible Officer 'RO'. The RO's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. The RO plans to commence a programme of work for the 2012/13 financial year.

**Review of Effectiveness**

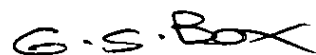
The Accounting Officer D Crowe, has the responsibility for reviewing the effectiveness of the system of internal control.

During the period ended 31 August 2012 the review has been informed by

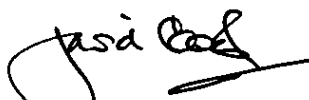
- The work of the Responsible Officer,
- The work of the External Auditor,
- The financial management and governance self assessment process,
- The work of the Executive Managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has advised the Finance and General Purposes Committee of the implications of the result of their review of the system of internal control. A plan to address weaknesses and ensure continuous improvement of the system is in place.

On behalf of the board of Governors (Trustees)



R Bird  
Chair of Governors  
Dated 17 December 2012



D Crowe  
Accounting Officer  
Dated 17 December 2012

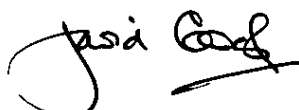
**THE BOSWELLS ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)  
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE  
FOR THE PERIOD ENDED 31 AUGUST 2012**

---

As accounting officer of The Boswells Academy Trust I have considered my responsibility to notify the academy trust 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 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 The Boswells Academy Trust 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.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date.



D Crowe

Accounting Officer

Dated 17 December 2012



# **THE BOSWELLS ACADEMY TRUST**

## **(A COMPANY LIMITED BY GUARANTEE)**

### **INDEPENDENT AUDITOR'S REPORT**

#### **TO THE MEMBERS OF THE BOSWELLS ACADEMY TRUST**

---

We have audited the accounts of The Boswells Academy Trust for the period ended 31 August 2012 set out on pages 17 to 43. 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 Annual Accounts Direction 2011/12 issued by the EFA.

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 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of Governors (Trustees) and auditors**

As explained more fully in the statement of Governors' responsibilities, the Governors (Trustees), who are also the directors of The Boswells Academy Trust for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts 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. We are also responsible for expressing an opinion on whether grants made by the DfE/EFA have been applied for the purposes intended.

#### **Scope of the audit of the accounts**

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Governors (Trustees), and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Governors Annual Report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on accounts**

In our opinion the accounts

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2012 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Annual Accounts Direction 2011/12 issued by the EFA, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matters**

In our opinion grants made by the DfE/EFA have been applied for the purposes intended.

#### **Opinion on other matter prescribed by the Companies Act 2006**

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

**THE BOSWELLS ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE MEMBERS OF THE BOSWELLS ACADEMY TRUST**

---

**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 accounts are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

**D J Walsh FCCA (Senior Statutory Auditor)  
for and on behalf of Baxter & Co**

**Chartered Certified Accountants  
Statutory Auditor**  
Lynwood House  
Crofton Road  
Orpington  
Kent  
BR6 8QE

Dated 19 December 2012

**THE BOSWELLS ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)  
INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON  
REGULARITY TO THE BOSWELLS ACADEMY TRUST AND THE EDUCATION  
FUNDING AGENCY**

---

In accordance with the terms of our engagement letter dated 1 November 2012 and further to the requirements of the Education Funding Agency 'EFA' as included in the Academies Accounts Direction 2011/12, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Boswells Academy Trust during the period ended 31 August 2012 have been applied to the purpose identified by Parliament and the financial transactions conform to the authorities which govern them

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

**Respective Responsibilities of The Boswells Academy Trust's Accounting Officer and the Reporting Accountant**

The Accounting Officer is responsible, under the requirements of The Boswells Academy Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook as published by the DfES in 2006, for ensuring that expenditure disbursed and income received is applied for the purpose 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 2011/12. 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 ended 31 August 2012 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 2011/12 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. We have included in our examination testing of a sample of

- Payments to staff,
- Payments to suppliers and other third parties,
- Grant and other income streams

We have reviewed the most recent Financial Management and Governance Evaluation self assessment return prepared by the Academy and made enquiries of the Accounting Officer thereon. We have reviewed minutes and other evidence made available to us, relevant to our consideration of regularity

**THE BOSWELLS ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)  
INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON  
REGULARITY TO THE BOSWELLS ACADEMY TRUST AND THE EDUCATION  
FUNDING AGENCY (CONTINUED)**

---

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period ended 31 August 2012 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them

**Baxter & Co**

**Chartered Certified Accountants**

Lynwood House  
Crofton Road  
Orpington  
Kent  
BR6 8QE

Dated 19 December 2012

**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE PERIOD ENDED 31 AUGUST 2012**

	Notes	Unrestricted funds £'000	Restricted funds £'000	Fixed Asset fund £'000	Total 2012 £'000
<b>Incoming Resources</b>					
<i>Generated Funds</i>					
- Voluntary Income	3	26	195	-	221
- Voluntary Income (transfers on conversion)	3	294	460	7,462	8,216
- Activities for Generating Funds	4	34	-	-	34
- Investment Income	5	1	-	-	1
<i>Charitable Activities</i>					
- Educational Operations	6	-	5,173	-	5,173
<b>Total Incoming Resources</b>		<b>355</b>	<b>5,828</b>	<b>7,462</b>	<b>13,645</b>
<b>Resources Expended</b>					
<i>Costs of generating funds</i>					
- Costs of generating Voluntary Income	7	-	614	-	614
- Costs of Activities for generating funds	7	19	-	-	19
<i>Charitable Activities</i>					
- Educational Operations	8	26	4,338	121	4,485
<i>Governance Costs</i>	9	-	199	-	199
<i>Other Resources Expended</i>					
- Transfers on conversion	7	-	2,102	-	2,102
- LGPS Pension Finance Costs	7/17	-	49	-	49
<b>Total Resources Expended</b>	<b>7</b>	<b>45</b>	<b>7,302</b>	<b>121</b>	<b>7,468</b>
<b>Net Incoming/(Outgoing) Resources before Transfers</b>		<b>310</b>	<b>(1,474)</b>	<b>7,341</b>	<b>6,177</b>
Gross transfers between funds	15	(115)	108	7	-
<b>Net Incoming/(Outgoing) Resources before Other Recognised Gains and Losses</b>		<b>195</b>	<b>(1,366)</b>	<b>7,348</b>	<b>6,177</b>
<b>Other recognised gains and losses</b>					
Actuarial Gains/(Losses) on Defined Benefit Pension Scheme	17	-	(154)	-	(154)
<b>Net movement in funds</b>		<b>195</b>	<b>(1,520)</b>	<b>7,348</b>	<b>6,023</b>
Fund balances at 12 January 2012		-	-	-	-
<b>Fund balances at 31 August 2012</b>		<b>195</b>	<b>(1,520)</b>	<b>7,348</b>	<b>6,023</b>

**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**SUMMARY INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE PERIOD ENDED 31 AUGUST 2012**

	Period ended 31 August 2012 £'000
<b>Income</b>	
General Annual Grant (GAG)	4,126
Other DfE / EFA Grants	32
Other Government Grants	810
Capital Income	29
Fixed Assets donated to Academy	7,462
Other Income	1,186
<b>Total Income</b>	<b>13,645</b>
<b>Expenditure</b>	
General Annual Grant (GAG) related expenditure	3,902
Other DfE / EFA Grants related expenditure	32
Other Government Grant related expenditure	377
Expenditure Funded from Capital Income (not capitalised)	76
Other Expenditure	2,176
Expenditure Funded from Other Income	784
Depreciation	121
<b>Total Expenditure</b>	<b>7,468</b>
<b>Excess of Income over Expenditure</b>	<b>6,177</b>

The summary income and expenditure account is derived from the statement of financial activities on page 17 which, together with the notes on pages 21 to 43, provides full information on the movements during the period on all funds of the charity

All of the Academy's activities derive from acquisitions in the current financial period

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

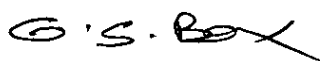
<b>Net Income/(Expenditure) for the period</b>	<b>6,177</b>
Actuarial Gains/(Losses) on Defined Benefit Pension Scheme	(154)
<b>Total Recognised Gains and Losses for the period</b>	<b>6,023</b>

**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**BALANCE SHEET**

**AS AT 31 AUGUST 2012**

		2012	
	Notes	£'000	£'000
<b>Fixed assets</b>			
Tangible assets	12		7,348
<b>Current assets</b>			
Debtors	13	203	
Cash at bank and in hand		1,056	
		<u>1,259</u>	
<b>Creditors: amounts falling due within one year</b>	14	<u>(254)</u>	
<b>Net current assets</b>			<u>1,005</u>
<b>Total assets less current liabilities</b>			<u>8,353</u>
<b>Defined benefit pension liability</b>	17		(2,330)
<b>Net assets</b>			<u><u>6,023</u></u>
<b>Funds</b>			
<b>Restricted Funds</b>	15		
General Annual Grant (GAG) Fund			217
Other Government Grant Fund			433
Capital Fund			68
Fixed Asset Fund			7,348
Other Income Fund			92
LGPS Fund			(2,330)
<b>Unrestricted Funds</b>	15		
Other Income Fund			195
			<u><u>6,023</u></u>

The accounts were approved by the Governors, and authorised for issue on 17 December 2012

  
R Bird  
Chair of Governors

**Company**  
**Registration**  
**No. 07907388**

**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**CASH FLOW STATEMENT**

**FOR THE PERIOD ENDED 31 AUGUST 2012**

	Notes	Period ended 31 August 2012 £'000
Net cash (outflow)/inflow from operating activities	18	693
Cash transferred on conversion	3	340
Returns on investments and servicing of finance		
Investment income		1
Net cash inflow from returns on investments and servicing of finance		1
Capital expenditure and financial investments		
Payments to acquire tangible fixed assets		(7)
Capital Grants		29
Net cashflow from capital activities		22
Increase in cash	19	1,056

All of the Academy's activities derive from acquisitions in the current financial period



# **THE BOSWELLS ACADEMY TRUST**

## **(A COMPANY LIMITED BY GUARANTEE)**

### **NOTES TO THE ACCOUNTS**

**FOR THE PERIOD ENDED 31 AUGUST 2012**

---

#### **1 Accounting policies**

##### **1.1 Basis of preparation**

The financial statements are prepared under the historic cost convention and in accordance with applicable accounting standards and the Charities SORP 2005

The Standard Format for the financial statements as required by the Companies Act 2006 has been adapted to provide more appropriate information which complies with the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 ('Charities SORP 2005') and the Academies Accounts Direction issued by the EFA

A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below

##### **1.2 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 company 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 accounts

##### **1.3 Incoming resources**

###### **Grants Receivable**

Grants are included in the statements 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.

###### **Donations**

Donations are included in the statement of financial activities on a cash received basis or on an accruals basis where they are assured with reasonable certainty and are receivable at the balance sheet date.

###### **Donated Services and Gifts in Kind**

The value of donated services and gifts in kind (other than fixed assets) provided to the company is recognised in the statement of financial activities as incoming resources and resources expended at their estimated open market value to the company in the period in which they are receivable, and where the benefit is both quantifiable and material.

###### **Interest Receivable**

Interest receivable is included within the statements of the financial activities on a receivable basis.

###### **Other Income**

Income is included in the statement of financial activities on a cash received basis or on an accruals basis where the receipt is assured with reasonable certainty and is receivable at the balance sheet date.

**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE PERIOD ENDED 31 AUGUST 2012**

---

**1 Accounting Policies**

**(continued)**

**1.4 Resources expended**

Resources expended are recognised in the period in which they are incurred and include irrecoverable VAT. They have been classified under headings that aggregate all costs relating to that activity.

**Allocation of Costs**

In accordance with the Charities SORP, expenditure has been analysed between the cost of generating funds, the company's charitable activities and governance. Items of expenditure which involve more than one cost category have been apportioned on a reasonable, justifiable and consistent basis for the cost category concerned. Central staff costs are allocated on the basis of time spent on each activity and depreciation charges on the basis of the proportion of the assets' use which is utilised by each activity.

**Costs of Generating Funds**

These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

**Charitable Activities**

These are costs incurred on the Academy's educational operations.

**Governance Costs**

Governance costs include the costs attributable to the company's compliance with constitutional and statutory requirements, including audit, strategic management and governors' meetings and reimbursed expenses. Such costs include both direct and allocated support costs.

**Fund Accounting**

Unrestricted income funds represent those resources which may be used towards meeting any of the objects of the company at the discretion of the Governors.

Restricted funds comprise grants from the DfE / EFA and other donors which are to be used for specific purposes as explained in note 15.

Restricted Fixed Asset funds are resources which are to be applied to specific purposes according to the source of funding for the related fixed assets.

**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS (CONTINUED)**

**FOR THE PERIOD ENDED 31 AUGUST 2012**

---

**1 Accounting Policies**

**(continued)**

**1.5 Tangible fixed assets and depreciation**

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and are depreciated over their expected useful economic life. The related grants are credited to an appropriate restricted fund in the statement of financial activities and carried forward in the balance sheet.

Depreciation is charged in the statement of financial activities at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Freehold land is not depreciated

Freehold buildings	2% Straight Line
ICT / Computer equipment	33% Straight Line
Plant and machinery	20% Straight Line
Fixtures, fittings & equipment	10% to 25% Straight Line
Motor vehicles	20% Straight Line

**1.6 Fixed Asset Transfer from the Predecessor School**

Where fixed assets were transferred to the charitable company from the predecessor school, these have been included at a value determined in accordance with the policy described below:

**Land**

Where land is owned (or occupied under the terms of a long term lease), subject to a legally binding restriction as to its use, it is included at a valuation that assumes continuation of its existing use.

**Buildings**

In accordance with the requirements of FRS 15, specialist buildings transferred from the predecessor school are recognised at their depreciated replacement cost at the time of the transfer. Future depreciation is charged over the estimated remaining useful life of the buildings.

**Other Fixed Assets**

Other fixed assets transferred from the predecessor school are also included at depreciated replacement cost (subject to the capitalisation limit set). Assets transferred (other than fixed assets) are dealt with as a donation in kind within the Statement of Financial Activities.

**1.7 Leasing and hire purchase commitments**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the lease term.

**THE BOSWELLS ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO THE ACCOUNTS (CONTINUED)**

**FOR THE PERIOD ENDED 31 AUGUST 2012**

---

**1 Accounting Policies**

**(continued)**

**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. More details of the schemes are given in note 17.

**Teachers' Pension Scheme**

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy 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 17, 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.

**Local Government Pension Scheme**

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

Further details are set out in note 17 to the financial statements.

**1.9 Taxation**

The Academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore 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.

**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS (CONTINUED)**

**FOR THE PERIOD ENDED 31 AUGUST 2012**

<b>2</b>	<b>General Annual Grant (GAG)</b>	<b>2012</b>
		<b>£'000</b>
<b>a</b>	<b>Results and Carry Forward for the period</b>	
	GAG brought forward from previous period	-
	GAG allocation for current period	4,126
	<b>Total GAG available to spend</b>	<b>4,126</b>
	Recurrent expenditure from GAG	(3,902)
	Fixed Assets purchased from GAG	(7)
	<b>GAG Carried Forward to Next Year</b>	<b>217</b>
	Maximum permitted GAG carry forward at end of current period (12% of allocation for current period)	(495)
	<b>GAG to surrender to DfE / EFA</b>	<b>(278)</b>
	(12% rule breached if result is positive)	<i>no breach</i>
<b>b</b>	<b>Use of GAG Brought Forward from previous period for recurrent purposes</b>	
	(Of the amount Carried Forward each year, a maximum of 2% of GAG can be used for recurrent purposes. Any balance, up to a maximum of 12%, can only be used for capital purposes)	
	Recurrent expenditure from GAG in current period	3,902
	GAG allocation for current period	(4,126)
	GAG allocation for previous period x 2%	-
	<b>GAG Brought Forward from previous period in excess of 2%, used on recurrent expenditure in current period</b>	<b>(224)</b>
	(2% rule breached if result is positive)	<i>no breach</i>

**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS (CONTINUED)**

**FOR THE PERIOD ENDED 31 AUGUST 2012**

**3 Voluntary Income**

	Unrestricted funds £'000	Restricted funds £'000	Fixed Asset funds £'000	Total 2012 £'000
Other Income	26	195	-	221
	<u>26</u>	<u>195</u>	<u>-</u>	<u>221</u>
Transfers on Conversion				
School Reserves	294	46	-	340
Fixed Assets	-	-	7,462	7,462
Other Assets	-	414	-	414
	<u>294</u>	<u>460</u>	<u>7,462</u>	<u>8,216</u>
	<u>320</u>	<u>655</u>	<u>7,462</u>	<u>8,437</u>

**4 Activities for Generating Funds**

	Unrestricted funds £'000	Total 2012 £'000
Lettings	34	34
	<u>34</u>	<u>34</u>

**5 Investment Income**

	Unrestricted funds £'000	Total 2012 £'000
Bank Interest	1	1
	<u>1</u>	<u>1</u>

**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS (CONTINUED)**

**FOR THE PERIOD ENDED 31 AUGUST 2012**

**6 Funding for Academy's Educational Operations**

	<b>Restricted funds £'000</b>	<b>Total 2012 £'000</b>
<b>General Annual Grant (GAG)</b>	4,126	4,126
<b>Other DfE / EFA Grants</b>		
Other Grants	32	32
<b>Other Government Grants</b>		
LA SEN Funding	97	97
Other Government Grants	713	713
<b>Capital Grants</b>		
Devolved Formula Capital Grant	29	29
<b>Other Income</b>		
Income from Catering	63	63
Other Income	113	113
	<u>5,173</u>	<u>5,173</u>

**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE PERIOD ENDED 31 AUGUST 2012**

**7 Total resources expended**

	Staff costs £'000	Depreciation £'000	Other costs £'000	Total 2012 £'000
Costs of Generating Voluntary Income	-	-	614	614
Costs of Activities for Generating Funds	14	-	5	19
Academy's Educational Operations				
Direct Costs	2,917	97	257	3,271
Allocated Support Costs	680	24	510	1,214
	3,597	121	767	4,485
Governance costs	-	-	199	199
Other				
LGPS Deficit Inherited on Conversion	-	-	2,102	2,102
LGPS Pension Finance Cost	-	-	49	49
	-	-	2,151	2,151
	3,611	121	3,736	7,468

Details of fees payable to Auditors are set out in note 9 (Governance Costs)



**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS (CONTINUED)**

**FOR THE PERIOD ENDED 31 AUGUST 2012**

**8 Charitable Activities - Academy's Educational Operations**

	Unrestricted funds £'000	Restricted funds £'000	Fixed Asset fund £'000	Total 2012 £'000
<b>Direct Costs</b>				
Teaching and Educational Support	-	2,917	-	2,917
Depreciation	-	-	97	97
Educational Supplies and Services	26	88	-	114
Examination Fees	-	117	-	117
Staff Development	-	7	-	7
Other Direct Costs	-	19	-	19
	<u>26</u>	<u>3,148</u>	<u>97</u>	<u>3,271</u>
<b>Allocated Support Costs</b>				
Support Staff Costs	-	655	-	655
LGPS Staff Costs	-	25	-	25
Depreciation	-	-	24	24
Maintenance of Premises	-	141	-	141
Furniture and Equipment	-	5	-	5
Cleaning	-	4	-	4
Water	-	7	-	7
Fuel	-	49	-	49
Rates	-	13	-	13
Insurance	-	43	-	43
Security	-	1	-	1
Transport	-	11	-	11
Administrative Costs	-	80	-	80
Catering	-	45	-	45
Bank Interest & Charges	-	1	-	1
Recruitment and Support	-	21	-	21
Technology Costs	-	80	-	80
Other Support Costs	-	9	-	9
	<u>-</u>	<u>1,190</u>	<u>24</u>	<u>1,214</u>
<b>Total</b>	<u>26</u>	<u>4,338</u>	<u>121</u>	<u>4,485</u>

**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS (CONTINUED)**

**FOR THE PERIOD ENDED 31 AUGUST 2012**

9 Governance costs	Restricted funds £'000	Total 2012 £'000
Legal and Professional	188	188
Fees payable to Auditors		
Audit Fees	8	8
Other Fees	3	3
	<u>199</u>	<u>199</u>

**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS (CONTINUED)**

**FOR THE PERIOD ENDED 31 AUGUST 2012**

**10 Staff Costs**

**Number of employees**

The average number of persons (including senior management team) employed by the Academy during the period expressed as full time equivalents was as follows

	<b>2012 Number</b>
Teachers	85
Administration and Support	73
Management	8
	<u>166</u>

**Employment costs**

	<b>2012 £'000</b>
Wages and salaries	2,862
Social security costs	207
Other pension costs	485
	<u>3,554</u>
Agency Supply and Other Salary Related Costs	57
	<u>3,611</u>

The number of employees whose annual remuneration was £60,000 or more was

	<b>2012 Number</b>
£60,000 - £70,000	3
£100,001 - £110,000	1

Of the employees whose emoluments exceed £60,000 p a 4 participated in either the Teachers' Pension Scheme or the Local Government Pension Scheme During the period, pension contributions for these staff amounted to £24,982

**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE PERIOD ENDED 31 AUGUST 2012**

**11 Governors (Trustees)**

**Governors' Remuneration and Expenses**

The Headteacher and staff Governors only receive remuneration in respect of services they provide undertaking the roles of Headteacher 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 during the period covered by these accounts was as follows:

D Crowe (Head Teacher)	£59,812
A Carpintero (Staff Governor)	£15,000 - £20,000
T Millard (Staff Governor)	£10,000 - £15,000
F Harris (Staff Governor)	£0 - £5,000

During the period ended 31 August 2012, expenses totalling £212 was reimbursed to 1 Governor.

**Governors' and Officers' Insurance**

In accordance with normal commercial practice the company purchased insurance to protect trustees, governors and officers from claims arising from negligent acts, error or omissions occurring whilst on company business. Cover of up to £10,000,000 on any one claim was purchased, the cost of which is £193.

**12 Tangible fixed assets**

	Land and buildings £'000	ICT Equipment £'000	Total £'000
<b>Cost or valuation</b>			
At 12 January 2012	-	-	-
Additions	7,462	7	7,469
<b>At 31 August 2012</b>	<b>7,462</b>	<b>7</b>	<b>7,469</b>
<b>Depreciation</b>			
At 12 January 2012	-	-	-
Charge for the period	120	1	121
<b>At 31 August 2012</b>	<b>120</b>	<b>1</b>	<b>121</b>
<b>Net book value</b>			
At 31 August 2012	<b>7,342</b>	<b>6</b>	<b>7,348</b>

**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS (CONTINUED)**

**FOR THE PERIOD ENDED 31 AUGUST 2012**

---

<b>13 Debtors</b>	<b>2012</b>
	<b>£'000</b>
Trade debtors	7
Other debtors	95
Prepayments and accrued income	101
	<hr/>
	<b>203</b>
	<hr/>

<b>14 Creditors amounts falling due within one year</b>	<b>2012</b>
	<b>£'000</b>
Taxes and social security costs	114
Other creditors	82
Accruals	22
Deferred income	36
	<hr/>
	<b>254</b>
	<hr/>

Deferred income of £36k, comprising music tuition fees (£7k) and voluntary fund trip income (£29k) represents resources deferred in the period and carried forward at 31 August 2012

**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS (CONTINUED)**

**FOR THE PERIOD ENDED 31 AUGUST 2012**

**15 Funds**

	Balance at 12 January 2012	Movement in funds			Balance at 31 August 2012
	£'000	Incoming resources £'000	Resources expended £'000	Gains, Losses and Transfers £'000	£'000
General Annual Grant	-	4,126	(3,902)	(7)	217
Other DfE / EFA Grants	-	32	(32)	-	-
Other Government Grants	-	810	(377)	-	433
Other Income	-	831	(739)	-	92
<b>Restricted General Funds</b>	<b>-</b>	<b>5,799</b>	<b>(5,050)</b>	<b>(7)</b>	<b>742</b>
DfE / EFA Capital Grant	-	29	(76)	115	68
<b>Restricted Capital Fund</b>	<b>-</b>	<b>29</b>	<b>(76)</b>	<b>115</b>	<b>68</b>
<b>Restricted Fixed Asset Fund</b>	<b>-</b>	<b>7,462</b>	<b>(121)</b>	<b>7</b>	<b>7,348</b>
<b>Restricted LGPS Fund</b>	<b>-</b>	<b>-</b>	<b>(2,176)</b>	<b>(154)</b>	<b>(2,330)</b>
<b>Total Restricted Funds</b>	<b>-</b>	<b>13,290</b>	<b>(7,423)</b>	<b>(39)</b>	<b>5,828</b>
<b>Total Unrestricted Funds</b>	<b>-</b>	<b>355</b>	<b>(45)</b>	<b>(115)</b>	<b>195</b>
<b>Total Funds</b>	<b>-</b>	<b>13,645</b>	<b>(7,468)</b>	<b>(154)</b>	<b>6,023</b>

The Restricted General Funds are used to fund the general operating costs of the Academy. The company is allowed to carry forward up to 12% of the current (GAG). Of the carried forward amount, up to 2% can be used for general purposes at the discretion of the company, but any balance over 2% must be used for premises expenditure.

The Other Government Grants Fund represents the unspent balance of grants received during the period for specific purposes, being LDG funding (£346k) and BAP funding (£87k).

The Restricted Other Income General Fund represents the Academy's Voluntary Fund balance of £40k and other general funds of £52k which remains unspent, but earmarked for particular purposes.

**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS (CONTINUED)**

**FOR THE PERIOD ENDED 31 AUGUST 2012**

**15 Funds**

**(continued)**

The Restricted Capital Fund balance of £68k represents unspent capital income at the period end and is set aside to fund future capital purchases

The Restricted Fixed Asset Fund are resources which are to be applied to specific purposes according to the source of funding for the related fixed asset

The Restricted LGPS Fund represents the Academy's share of the LGPS Pension Fund deficit

Unrestricted Funds represent balances held at period end that can be applied at the discretion of the Governors, to support any of the Academy's charitable purposes

**16 Analysis of net assets between funds**

	Unrestricted funds £'000	Restricted funds £'000	Fixed Asset Fund £'000	Total Funds £'000
<b>Fund balances at 31 August 2012 are represented by:</b>				
Tangible fixed assets	-	-	7,348	<b>7,348</b>
Current assets	195	1,064	-	<b>1,259</b>
Creditors amounts falling due within one year	-	(254)	-	<b>(254)</b>
Defined benefit pension liability	-	(2,330)	-	<b>(2,330)</b>
	<u>195</u>	<u>(1,520)</u>	<u>7,348</u>	<u><b>6,023</b></u>

**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE PERIOD ENDED 31 AUGUST 2012**

---

**17 Pension and other post-retirement benefit commitments**

The Academy's employees belong to two principal pension schemes the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Essex 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 was 31 March 2004 and of the LGPS 31 March 2010

Contributions amounting to £81,750 were payable to the scheme at 31 August and are included within creditors

**Teachers' Pension Scheme**

The TPS is a statutory, contributory, defined benefit scheme The regulations under which the TPS operates are the Teachers' Pension Regulations 2010

Although teachers and lecturers are employed by various bodies, their retirement and other pension benefits, including annual increases payable under the Pensions (Increase) Acts are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament Under the unfunded TPS, teachers' contributions on a 'pay-as-you-go' basis, and employers' contributions, are credited to the Exchequer under arrangements governed by the above Act

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation 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 (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return

The Government Actuary ("GA"), using normal actuarial principles, conducts formal actuarial reviews of the TPS The aim of the reviews is to specify the level of future contributions

The contribution rate paid into the TPS is assessed in two parts First, a standard contribution rate ("SCR") is 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 investigation, 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 - 31 March 2004 The GA's report of October 2006 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £166,500 millions The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £163,240 millions The assumed real rate of return is 3.5% in excess of prices and 2% in excess of earnings The rate of real earnings growth is assumed to be 1.5% The assumed gross rate of return is 6.5%



**THE BOSWELLS ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO THE ACCOUNTS (CONTINUED)**

**FOR THE PERIOD ENDED 31 AUGUST 2012**

**17 Pension and other post-retirement benefit commitments**

**(continued)**

As from 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, 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. The cost-sharing agreement also introduced - effective for the first time for the 2008 valuation - a 14% cap on employer contributions payable.

From 1 April 2012 to 31 March 2013, the employee contribution rate will range between 6.4% and 8.8%, depending on a member's Full Time Equivalent salary. Further changes to the employee contribution rate will be applied in 2013-14 and 2014-15.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. Many of these are being discussed in the context of the design for a reformed TPS and scheme valuations are, therefore, currently suspended. The Government, however, has set out a future process for determining the employer contribution rate under the new scheme, and this process will involve a full actuarial valuation.

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 and the implications for the academy in terms of the anticipated contribution rates.

**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 2012 was £166,000, of which employer's contributions totalled £126,000 and employees' contributions totalled £40,000. The agreed contribution rates for future years are 12.3% plus additional monthly lump sum payments for employers and a range between 5.5% and 7.5% for employees according to salary levels.

The employer's contribution rate includes additional lump sum contributions which are assessed by actuaries so as to eliminate the pension fund deficit. The next review is scheduled for March 2014.

The LGPS obligation relates to the employees of the Academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did subsequently, join the Scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy at the balance sheet date.

**The major assumptions used by the actuary were:**

	<b>2012</b>
	<b>%</b>
Rate of increase in salaries	3.70
RPI Increases	2.70
CPI Increases	1.90
Rate of increase in pensions in payment	1.90
Discount rate	3.90
Inflation assumption	1.90

**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS (CONTINUED)**

**FOR THE PERIOD ENDED 31 AUGUST 2012**

**17 Pension and other post-retirement benefit commitments**

**(continued)**

**Sensitivity Analysis**

	<b>Assets at 31</b>	<b>Liabilities at 31</b>	<b>(Deficit)/Surplus</b>
	<b>August 12</b>	<b>August 12</b>	<b>At 31 August 12</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Central	930	(3,260)	(2,330)
<b>Sensitivity 1</b>			
+0 1% pa discount rate	930	(3,168)	(2,238)
<b>Sensitivity 2</b>			
-0 1% pa discount rate	930	(3,355)	(2,425)
<b>Sensitivity 3</b>			
+1 year mortality rate	930	(3,146)	(2,216)
<b>Sensitivity 4</b>			
-1 year mortality rate	930	(3,376)	(2,446)

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

	<b>2012</b>
	<b>Years</b>
Retiring today	
Males	23
Females	25
Retiring in 20 years	
Males	24
Females	27

The values of the assets in the scheme are as follows:

	<b>2012</b>	<b>2012</b>
	<b>%</b>	<b>£'000</b>
Equities	68.00	632
Bonds	9.00	84
Property	13.00	121
Other assets	10.00	93
Total market value of assets		930
Present value of scheme liabilities		(3,260)
Net pension liability		(2,330)

The expected return on Scheme assets is 5.2%

**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS (CONTINUED)**

**FOR THE PERIOD ENDED 31 AUGUST 2012**

**17 Pension and other post-retirement benefit commitments** **(continued)**

**Analysis of the amounts recognised in the statement of financial activities**

	<b>2012</b>
	<b>£'000</b>
Employer Service Cost	(151)
Deficit Inherited on Conversion	(2,102)
Employers Contribution	126
	<u>(2,127)</u>
Total operating charge	<u><u>(2,127)</u></u>

**Analysis of the amount shown as other finance expenditure**

	<b>2012</b>
	<b>£'000</b>
Expected Return on Employee Share of Scheme Assets	25
Interest on Pension Liabilities	(74)
	<u>(49)</u>
Net surplus/(deficit)	<u><u>(49)</u></u>

**Analysis of amount recognised in the statement of total recognised gains and losses.**

	<b>2012</b>
	<b>£'000</b>
Actuarial Gains/(Losses) on Assets	9
Actuarial Gains/(Losses) on Liabilities	(163)
	<u>(154)</u>
Actuarial Gain/(Loss) recognised in the statement of total recognised gains and losses	<u><u>(154)</u></u>

**Movement in Surplus/(Deficit) during the period:**

	<b>2012</b>
	<b>£'000</b>
Operating charge	(2,127)
Other finance income	(49)
Actuarial losses	(154)
	<u>(2,330)</u>
Deficit in scheme at 31 August 2012	<u><u>(2,330)</u></u>

**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE PERIOD ENDED 31 AUGUST 2012**

**17 Pension and other post-retirement benefit commitments** (continued)

**Movements in the Present Value of Defined Benefit Obligations were as follows**

	<b>2012</b>
	<b>£'000</b>
Interest Cost	(74)
Actuarial (Losses) Gains	(163)
Contributions by Scheme Participants	(40)
Other Movements	(2,983)
	<u>(3,260)</u>

Included within Other Movements is £2,803,000 in relation to the obligations inherited by the Academy, £29,000 of benefits/transfers paid, and £151,000 of service costs

**Movements in the Fair Value of Academy's share of scheme assets**

	<b>2012</b>
	<b>£'000</b>
Actuarial Gains (Losses)	9
Contributions by Employer including unfunded	126
Contributions by Scheme Participants	40
Other Movements	755
	<u>930</u>

Included within Other Movements is £701,000 of assets inherited by the Academy, £25,000 relating to expected return on plan assets, and £29,000 of benefits/transfers paid

**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS (CONTINUED)**

**FOR THE PERIOD ENDED 31 AUGUST 2012**

**17 Pension and other post-retirement benefit commitments** **(continued)**

**Defined benefit (continued)**

**History of experience gains and losses**

	<b>2012</b>	<b>2012</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Present value of defined benefit obligations	(3,260)	-	-	-	-
Fair value of share of scheme assets	930	-	-	-	-
	<u>(2,330)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Experience adjustment on scheme liabilities	-	-	-	-	-
Percentage of liabilities	-	-	-	-	-
Experience adjustment on scheme assets	9	-	-	-	-
Percentage of assets	0.97%	-	-	-	-

**18 Net cash inflow from operating activities** **2012**  
**£'000**

**Reconciliation to changes in resources**

Changes in resources before revaluations	6,177
Cash transferred on conversion	(340)
Investment income	(1)
Depreciation of tangible fixed assets	121
Increase in debtors	(203)
Increase in creditors	254
Non cash donations	(7,462)
Capital Income	(29)
FRS17 Deficit Inherited on Conversion	2,102
Other FRS17 Charges	74
	<u>693</u>

**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS (CONTINUED)**

**FOR THE PERIOD ENDED 31 AUGUST 2012**

---

**19 Reconciliation of net cash flow to movement in net funds** **2012**  
**£'000**

Increase in cash	1,056
Net funds at 12 January 2012	-
	<hr/>
Net funds at 31 August 2012	<b>1,056</b>
	<hr/> <hr/>

**20 Analysis of net cash balances**

	Cash flow	Non-cash	At 31 August
	£'000	changes	2012
	£'000	£'000	£'000
Cash at bank and in hand	1,056	-	1,056
	<hr/>	<hr/>	<hr/>
	<b>1,056</b>	-	<b>1,056</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**21 Commitments under operating leases**

At 31 August 2012 the company had annual commitments under non-cancellable operating leases as follows

	<b>2012</b> <b>£'000</b>
Expiry date	
Within one year	42
Between two and five years	45
	<hr/>
	<b>87</b>
	<hr/> <hr/>

**THE BOSWELLS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS (CONTINUED)**

**FOR THE PERIOD ENDED 31 AUGUST 2012**

**22 Conversion to an Academy**

On 1 February 2012 the Boswells School converted to Academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Boswells Academy Trust from Essex County Council for £nil consideration

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net income/resources expended in the Statement of Financial Activities as Voluntary income/other resources expended

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities

	Unrestricted funds £'000	Restricted funds £'000	Fixed Asset funds £'000	Total 2012 £'000
Tangible Fixed Assets				
- Freehold / Leasehold Land & Buildings	-	-	7,462	7,462
- Other Tangible Fixed Assets	-	-	-	-
Budget Surplus/(Deficit) on Local Authority Funds	294	-	-	294
Budget Surplus/(Deficit) on Other School Funds	-	46	-	46
LGPS Pension Surplus/(Deficit)	-	(2,102)	-	(2,102)
Borrowing Obligations	-	-	-	-
Other identified Assets & Liabilities	-	414	-	414
	<u>294</u>	<u>(1,642)</u>	<u>7,462</u>	<u>6,114</u>

The above net Assets / Liabilities include £370k that were transferred as cash

**23 Members' Liability**

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member