
GREAT BOWDEN ACADEMY LTD
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

SATURDAY



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GREAT BOWDEN ACADEMY LTD
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/ GOVERNORS AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Members

Helen Trotter, Chair of Governors
Leslie Dodd
Rev. James Shakespeare, representing the Diocese of Leicester Educational Trust
- a corporate Foundation Member)
Janet Shardlow

Governors

Helen Trotter, Chair of Governors
Leslie Dodd
Rev. James Shakespeare
Janet Shardlow
Georgina Connors
Raoul Mercer, Parent Governor
Michael Fletcher, Parent Governor
Sarah Hill
Sue Fraser, Vice Chair
Julie Dunne, Staff Governor
Jayne Wicks, Staff Governor
Leonora Rhodes (Retired 31 August 2015)
Isabel Dupey, Parent Governor
Gemma Christison, Parent Governor
Bernard Evans, Parent Governor
Stefanie Edwards, Headteacher
Wayne Burbidge (appointed 1 September 2015)

Company registered number

08095439

Principal and registered office

Gunnsbrook Close, Great Bowden, Market Harborough, Leicestershire, LE16 7HZ

Company secretary

Caroline Banks

Senior Leadership Team

Stefanie Edwards, Headteacher
Julie Dunne, Business Manager
Jayne Wicks, Team Leader
Dionne Kirby, Team Leader

Independent auditor

Streets Audit LLP, Tower House, Lucy Tower Street, Lincoln, LN1 1XW

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

Administrative details (continued)

Bankers

National Westminster Bank Plc, 21 St Mary's Rd, Market Harborough, LE16 7DY

Solicitors

Legal Services, Leicestershire County Council

GREAT BOWDEN ACADEMY LTD
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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

The Governors (trustees) present their annual report together with the financial statements and auditor's reports of the charitable company for the period 1 September 2014 to 31 August 2015. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The trust operates an academy for pupils aged 4 – 11 servicing a catchment area in Great Bowden, Market Harborough. The Academy has a capacity of 140. Currently there are 129 pupils on roll. (Census date 2 October 2015).

Structure, governance and management

a. CONSTITUTION

Great Bowden Academy, a Church of England Primary School is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy. The governors are trustees of Great Bowden Academy and are also the directors of the charitable company for the purposes of company law. The charitable company is known as Great Bowden Academy. Great Bowden Academy is part of the Harborough Collaborative Trust (HCT – 5 academies and 1 maintained school). It is also a strategic partner in the Affinity Teaching School Alliance – led by a teaching school in nearby Kibworth.

Details of the Governors who served during the year are included in the Reference and Administrative Details on page 1.

b. MEMBERS' LIABILITY

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

c. GOVERNORS' INDEMNITIES

Governors benefit from indemnity insurance to cover the liability of the Governors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy. The cost of this insurance in the year was £1,243.

d. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF GOVERNORS

There are four Members of the Academy, who are:

1. Helen Trotter
2. Leslie Dodd
3. Revd. James Shakespeare (representing the Diocese of Leicester Educational Trust – a corporate Foundation Member)
4. Janet Shardlow

The processes involved in the recruitment of governors is outlined in the Memorandum of Association, paragraphs 50-64.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

e. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF GOVERNORS

New governors are encouraged to undertake governor induction training through the Local Authority Governor Development Service, which also offers a menu of extensive specialised training through the local network of schools to support all new governors. They all receive a governor handbook and are also inducted and trained by existing governors and members of Academy staff as appropriate. Governors review their governance arrangements periodically, including consideration of the composition of the board in terms of skills, effectiveness, leadership and impact. A governor skills matrix is updated regularly to identify areas of strength and weakness.

f. ORGANISATIONAL STRUCTURE

Great Bowden Academy is governed by a governing body which met 4 times during 2014/15. The members of the governing body are represented on committees which meet three times a year or as required - Pay/Personnel, Finance and Audit, Health & Safety and Premises, and Teaching and Learning. The day to day operations of the Academy are delegated to the senior leadership team, headed by the Headteacher, who is also the Accounting Officer. The Academy has a business manager who works closely with the Headteacher. Governor approval is sought for all significant Academy decisions. The Financial Regulations Manual and suite of policies further outline this structure. The Scheme of Delegation is included in the Governors' Handbook.

g. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

Great Bowden Academy is part of a local collaborative trust (LCT), "The Harborough Collaborative Trust" (HCT), a group of local primary academies joined in partnership through its LCT Articles of Association. The management board of the Trust comprises headteachers and chairs of governors of member schools and academies. They collaborate in the areas of common policy, curriculum provision, professional learning, school improvement and joint procurement. In addition, Great Bowden Academy is a strategic partner in the Affinity Teaching School Alliance, an organization supported by the National College of Teaching and Leadership, providing a forum for school to school support and other school improvement activities. The headteacher of Great Bowden Academy sits on the Management Board of the Affinity Teaching School Alliance and co-chairs the Research and Innovation working group.

Objectives and Activities

a. OBJECTS AND AIMS

The Academy's Mission Statement is, 'Believing in a loving God, each other and ourselves, we will inspire everyone to learn and to achieve their dreams.' Its core values sum up the school's commitment to both to its pupils and its community in the words 'Inspire ~ Believe ~ Learn ~ Achieve'.

Great Bowden Academy is a professional learning community that continually strives to develop education of the highest quality for its pupils.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

The significant objectives of the Academy for the year under review have been summarized below:

1. Achievement Establish consistently good or outstanding progress across the curriculum and across the school.	A. Establish a culture of professional learning and development with the expectation that all lessons are at least <i>good and often outstanding</i> with a clear focus on deep learning.
	B. Effective use of assessment to support all learning.
	C. Achievement is outstanding in English, Maths and Science in KS1 and 2 and in all areas in EYFS-(CVA increases)
1. Curriculum Develop an outstanding curriculum which fulfils the school's core values.	A. Implement the requirements of the new National Curriculum
	B. Develop a broad, rich, creative curriculum with an emphasis on the creative and expressive arts and underpinned by rigorous attention to basic skills
	C. Improve provision in MFL
1. Leadership Develop organisational conditions which enable outstanding pupil learning to thrive across the school	A. Develop good and outstanding leadership at all levels by developing outstanding subject, pedagogical and leadership expertise
	B. Improve the effectiveness of strategic senior leadership
	C. Deliver high quality asset management and development to ensure that the learning environment meets the needs of growing numbers of pupils and supports outstanding pupil and professional learning

c. PUBLIC BENEFIT

In setting objectives the governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education. The focus of the Academy's activities remains the provision of primary education. This benefits pupils of all abilities who are drawn from the local area.

Achievements and performance

a. REVIEW OF ACTIVITIES

Achievement in maths, reading and writing in the academic year 2014-2015 was significantly above the national average at Key Stages 1 and 2 and the proportions of children achieving a good level of development at the end of the Early Years Foundation Stage exceeded national norms.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Additionally:

- The Academy was successful in bidding for Academies Capital Maintenance funding to provide additional accommodation for rising numbers of pupils. A grant of £400K was received in April 2014.
- Great Bowden Academy staff are leaders in the local area in areas of school improvement, school business management, initial teacher training and the development of professional learning and its impact on pupil achievement.
- The Academy had an Ofsted inspection on 10 and 11 of September 2014 and received an outstanding judgement.
- In Spring of 2015 the Academy had a SIAMS inspection and received an outstanding judgement.
- During the summer term the school achieved Artsmark Gold and the Primary Science Quality Mark (Silver). In addition one of the Academy's teachers was accredited as a Maths Mastery Specialist Teacher by the NCETM.

Key Performance Indicators

This table summarises achievement at the end of KS2:

KS2 % at levels	% at 4c+ (1 pupil = 6.3%)	National % at 4c+	% at 4b+	National at 4b+	% at (L5+)	National % at L5+	% at 6c+
Reading	93.7%	86%	87.4	75%	56.3	44%	0%
Writing	87.4	83%	87.4	-----	43.8	30%	0%
GPS	81.1	74%	62.5	65%	50%	47%	6.3%
Mathematics	87.4	85%	75%	73%	56.3	41%	12.6%
% R,W & M		L4+		L5+		L6	
National		75%		21%		0%	
School		87.4%		37.5		0%	
Y6 2013/14 progress over time	Y2-6	Expected		Difference from national		Evaluation	
Reading	14.5	12.0-13.6		+1.7		outstanding	
Writing	15.7	12.4-14.0		+2.5		outstanding	
Mathematics	14.9	12.2-13.8		1.9		outstanding	
KS2 Levels of progress 1 pupil= 6.25%	% 2 levels of progress	National 2 levels of progress (2013)		% 3 levels of progress		National 3 levels of progress (2013)	
Reading	100%	88%		43.75%		30%	
Writing	100%	91%		37.5%		30%	
Maths	100%	88%		43.75%		31%	

b. GOING CONCERN

After making appropriate enquiries, the board of governors has a reasonable expectation that the academy has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Financial review

The governors are satisfied with the third year's financial performance and with its financial position at the year end. The Financial Regulations Manual and associated policies, under stringent review in the first year of operation, were adopted at the full governors' meeting on 6 November 2013, reviewed in November 2014 and January 2015.

The principal sources of funding continues to be the General Annual Grant, with some further funding coming from the Headteacher's work as a Local Leader in Education (LLE) and specific grants from educational organisations such as LEEP (Leicestershire Excellence in Education Partnership).

a. RESERVES POLICY

The Governors are committed to ensuring that the budget allocated for the purposes of public education in any one year is used to serve the interests of pupils at school in that year. The Academy aims to carry forward a small percentage of the budget in the interests of financial probity, but does not carry significant reserves.

As at 31 August 2015 the total funds comprised:

Unrestricted	£29,000
Restricted: Fixed Asset funds	£1,120,000
GAG	£3,000
Pension Reserve	(£364,000)
Other	£2,000
Total	£790,000

The deficit on the pension reserve, £364,000 relates to the non-teaching staff pension scheme, where, unlike the teachers scheme, separate assets are held to fund future liabilities as discussed in note 22. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding, or changes to scheme benefits. The restricted funds will be spent in accordance with the terms of the particular funds. Unrestricted funds are for use on the general purposes of the academy, at the discretion of the governors and represent half a month's worth of Academy expenditure. The aim of the governors is to increase this reserve to meet future working capital requirements.

b. MATERIAL INVESTMENTS POLICY

The Academy operates a current bank account and a direct reserve bank account. At the end of each working day, funds in excess of £10,000 are automatically 'swept' into the direct reserve account where they can earn interest. No other investment types are currently authorised.

c. PRINCIPAL RISKS AND UNCERTAINTIES

The Academy practises risk management principles through its governing body and the constituted committees. Any major risks highlighted at any committee are brought to the governing body with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated.

The Governing Body accepts managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Governing Body collectively, whilst more minor risks are dealt with by members of the Senior Leadership Team. The Academy operates using simple financial instruments, principally bank accounts, trade creditors and sundry debtors and creditors, all of which carry minimal risk and uncertainty.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

The principal risks facing the Academy are included in the Risk Register and Management Plan and include:

- strategic and reputational risks
- operational risks
- compliance risk
- financial risks

Control measures are in place to manage the identified risks, the key risks being:

- demand for student places decreases significantly
- demand for student places increases beyond capacity of school site
- inability to recruit appropriate and suitably qualified teaching staff
- Unforeseen large costs of repairs and maintenance
- government cuts in education funding
- the Academy's capacity to manage the speed of change of education policy.

Active promotion of the Academy is maintained and budgets monitored carefully over a 3 year period to manage any reduction in funding.

Mitigating Risks – Risk Management

Using guidelines provided by the EFA a comprehensive risk management assessment is in place. This was originally assessed and approved by the Finance and Audit Committee. **The Risk Register** is a live document and as such risk elements are reviewed regularly. Categories of risk are randomly chosen and discussed at governor and management meetings and recorded in the minutes of the F&A committee. Governors assess the likelihood of the occurrence and the impact that it would have on the Academy and review controls to mitigate such risks. **The Risk Management Policy** sits with the **Risk Register** in the **Financial Manual Procedures and Policies**. There is a third document, The Risk Management Assessment and Procedures document, which is contained within the Health and Safety suite of policies and is used by school staff to risk assess and to mitigate against risk at a very detailed level of school life, for example activities such as trips and visits, use of specific rooms and equipment, etc.

Governors and members of staff of the Academy are public servants and seek at all times to conduct themselves in accordance with best practice – see HM Treasury's 'Guidance on Codes of Practice for Board Members of Public Bodies,' and the **'Seven Principles of Public Life'**, see below. These seven principles provide the Academy with a cornerstone of governance and accountability and are themselves key risk mitigating factors. – (More on this in Governance Statement).

The Seven Principles of Public Life

Selflessness

Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.

Integrity

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

Objectivity

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

Accountability

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Openness

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

Honesty

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership

Holders of public office should promote and support these principles by leadership and example.

Plans for future periods

a. FUTURE DEVELOPMENTS

The governors and senior leadership team of the Academy design a strategic development plan to inform the future direction of the organisation on an annual basis. This plan is based on a review of the previous year's performance and an analysis of the school's needs and priorities in the medium and longer term. The Academy implements a rolling programme of improvement priorities in order to fulfil its mission and core values. This year the Academy is developing the school premises to accommodate expanding numbers of pupils and to make provision for leading edge practice in developing the quality of education and teachers' professional learning.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

Great Bowden Academy and its Governors do not act as custodian trustees for any assets of any other charity.

DISCLOSURE OF INFORMATION TO AUDITOR

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

- so far as that governor is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that governor has taken all the steps that ought to have been taken as a governor in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This report was approved by order of the governing body on 10 December 2015 and signed on the board's behalf by:



Helen Trotter
Chair of Governors

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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The governing body has delegated the day-to-day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Great Bowden Academy Ltd 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 Governors' responsibilities statement. The governing body has formally met 4 times during the year. Attendance during the year at meetings of the governing body was as follows:

Governor	Meetings attended	Out of a possible
Helen Trotter, Chair of Governors	4	4
Leslie Dodd	4	4
Rev. James Shakespeare	2	4
Janet Shardlow	3	4
Georgina Connors	3	4
Raoul Mercer, Parent Governor	1	4
Michael Fletcher, Parent Governor	3	4
Sarah Hill	2	4
Sue Fraser, Vice Chair	2	4
Julie Dunne, Staff Governor	3	4
Jayne Wicks, Staff Governor	2	4
Leonora Rhodes	3	4
Isabel Dupey, Parent Governor	4	4
Gemma Christison, Parent Governor	2	4
Bernard Evans, Parent Governor	3	4
Stefanie Edwards, Headteacher	4	4
Wayne Burbidge (1 as observer)	0	0

Governance reviews:

The governing body regularly assesses the skill set of the governors in place and efforts are made to recruit a governor with a specific skill set when required.

The Finance & Audit Committee is a sub-committee of the main governing body. Its purpose is to:

1. To provide guidance and assistance to the Headteacher and governing body in all matters relating to administration and finance (particular reference should be made to the Academy's Financial Handbook)
2. To contribute to and monitor the Academy Development Plan - in particular its financial implications.
3. To promote and monitor the Academy aims and operate value for money when considering major expenditure.
4. To consult with other committees where necessary.

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GOVERNANCE STATEMENT (continued)

5. To recommend the annual budget to the governing body, taking account of the Academy Development Plan.
6. To monitor and review income and expenditure on a regular basis and ensure compliance with the overall plan for the academy, and with the financial regulations of the DfE/EFA, making recommendations where necessary.
7. To monitor and review medium to long term financial forecasts.
8. To monitor and review relevant policies, making recommendations to the governing body as required.
9. To ensure the annual financial statements are produced in accordance with the DfE/EFA/Companies Act requirements.
10. To award contracts by tender up to the level of authority delegated by the governing body
11. To recommend to the governing body the appointment of external auditors and to review the external audit reports, making recommendations where necessary.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
Helen Trotter	3	4
Leslie Dodd	4	4
Raoul Mercer	1	4
Gemma Christison	3	4
Julie Dunne	4	4
Leonora Rhodes	4	4
Stefanie Edwards	3	4
Wayne Burbidge (1 as observer)	0	0

REVIEW OF VALUE FOR MONEY

As accounting officer, the Headteacher has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the academy's use of its resources has provided good value for money during each academic year, and reports to the governing body where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the Academy Trust has delivered improved value for money during the year by:

- Improved educational outcomes by collaborative work with leading teachers (mentoring and coaching – lesson study) across the schools and academies of the HCT and within the Academy by clever budgeting and timetabling of teachers.
- Saving £4,000 by seeking out a second hand high specification dishwasher for the new production kitchen.
- Seeking a second quotation mid 'new build' when existing lead contractor's quotation for Phase 2 came in at an unacceptably expensive level – saving the best part of £100,000

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GOVERNANCE STATEMENT (continued)

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Great Bowden Academy Ltd for the year 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 ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 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 & Audit 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 governing body has considered the need for a specific internal audit function and has decided to appoint Leicestershire County Council Internal Audit Service as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. It provides an objective and independent appraisal to management and the governing body of the Academy's systems and procedures, financial and otherwise, with regard to the business risk inherent in those systems and procedures. In particular the checks carried out in the current period included:

- Governance
- Financial Control
- The Investment strategy
- Budget monitoring and reporting
- Invoicing procedures
- Detailed testing
- VAT

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GOVERNANCE STATEMENT (continued)

Through scrutiny of these areas, it evaluates the arrangements the Academy has in place to:

- Establish and monitor the achievement of its organisational objectives;
- Identify, assess and manage risks to the achievement of those objectives;
- Ensure compliance with its own policies and laws and regulations including company and charity law;
- Ascertain the integrity and reliability of financial and other information provided to its management and stakeholders, including that used in decision making;
- Ascertain that good systems of control are laid down and operate to promote the economic, efficient and effective use of resources and to safeguard assets;
- Prevent fraud and / or financial irregularity;
- Promote efficient methods of working.

Governors receive the report from the Audit Team and act on its recommendations on an annual basis. In addition to this governors from the Finance and Audit committee make random and at least termly audit checks on procedures and records of the systems of control. Both the Audit Team and the governors report to the governing body on the operation of the systems of control and on the discharge of the governing body's financial responsibilities.

On an annual basis, the internal auditor reports to the governing body on the operation of the systems of control and on the discharge of the governing body's financial responsibilities.

REVIEW OF EFFECTIVENESS

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

- the work of the internal auditor;
- the work of the external auditor;
- Spot checks on processes by visiting governors from the finance and audit committee;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

Governors can confirm that a 'Health check' internal audit was carried out in May 2015 and a report of the findings was submitted to the governing body.

The accounting officer has been advised of the implications of the result of their review of the system of internal control. There were no significant concerns. An Audit Action Plan was initiated as a result of the recommendations and this was addressed by the Business Manager and the Finance & Audit Committee to ensure any weaknesses are overcome and that continuous improvement of the system is in place.

Approved by order of the members of the governing body on 10 December 2015 and signed on its behalf, by:



Helen Trotter
Chair of Governors



Stefanie Edwards
Accounting Officer

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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Great Bowden Academy Ltd I have considered my responsibility to notify the Academy governing body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2014).

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

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



Stefanie Edwards
Accounting Officer

Date: 10 December 2015

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**GOVERNORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

The governors who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the governing body on 10 December 2015 and signed on its behalf by:



Helen Trotter
Chair of Governors

GREAT BOWDEN ACADEMY LTD
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT BOWDEN ACADEMY LTD

We have audited the financial statements of Great Bowden Academy Ltd for the year ended 31 August 2015 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITOR

As explained more fully in the Governors' responsibilities statement, the Governors (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Governors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Governors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

GREAT BOWDEN ACADEMY LTD
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT BOWDEN ACADEMY LTD

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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



Robert Anderson (Senior statutory auditor)

for and on behalf of

Streets Audit LLP

Tower House
Lucy Tower Street
Lincoln
LN1 1XW
14 December 2015

GREAT BOWDEN ACADEMY LTD
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GREAT BOWDEN ACADEMY LTD AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 10 September 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Great Bowden Academy Ltd during the year 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 Great Bowden Academy Ltd and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Great Bowden Academy Ltd and EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Great Bowden Academy Ltd and EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF GREAT BOWDEN ACADEMY LTD'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Great Bowden Academy Ltd's funding agreement with the Secretary of State for Education dated 29 June 2012, 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 year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

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

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy's income and expenditure.

GREAT BOWDEN ACADEMY LTD
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GREAT BOWDEN ACADEMY LTD AND THE EDUCATION FUNDING AGENCY (continued)

Our audit work involved:

- a review of the Academy systems and controls and confirmation of their operation and effectiveness during the year;
- a detailed review of purchase transactions confirming the purpose, value for money and that appropriate tendering / quotation procedures had been followed in line with the Academy finance policy; and
- a review of the Internal Audit reports.

CONCLUSION

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



Robert Anderson

Streets Audit LLP

Tower House
Lucy Tower Street
Lincoln
LN1 1XW

14 December 2015

GREAT BOWDEN ACADEMY LTD
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of total recognised gains and losses)
FOR THE YEAR ENDED 31 AUGUST 2015

		Unrestricted funds 2015 £000	Restricted funds 2015 £000	Restricted fixed asset funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
	Note					
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	-	-	-	-	2
Activities for generating funds	3	4	-	-	4	12
Investment income	4	1	-	-	1	-
Funding for academy's educational operations	5	13	615	208	836	997
TOTAL INCOMING RESOURCES		18	615	208	841	1,011
RESOURCES EXPENDED						
Charitable activities	7	21	597	6	624	593
Governance costs	8	-	36	-	36	28
TOTAL RESOURCES EXPENDED	6	21	633	6	660	621
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		(3)	(18)	202	181	390

GREAT BOWDEN ACADEMY LTD
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

		Unrestricted funds 2015 £000	Restricted funds 2015 £000	Restricted fixed asset funds 2015 £000	Total funds 2015 £000	<i>Total funds 2014 £000</i>
	Note					
Transfers between Funds	15	-	(386)	386	-	-
NET INCOME FOR THE YEAR		(3)	(404)	588	181	390
Actuarial gains and losses on defined benefit pension schemes		-	(10)	-	(10)	(79)
NET MOVEMENT IN FUNDS FOR THE YEAR		(3)	(414)	588	171	311
<i>Total funds at 1 September 2014</i>		<i>32</i>	<i>55</i>	<i>532</i>	<i>619</i>	<i>308</i>
TOTAL FUNDS AT 31 AUGUST 2015		29	(359)	1,120	790	619

All activities relate to continuing operations.

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

The notes on pages 24 to 42 form part of these financial statements.

GREAT BOWDEN ACADEMY LTD
(A company limited by guarantee)
REGISTERED NUMBER: 08095439

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£000	2015 £000	£000	2014 £000
FIXED ASSETS					
Tangible assets	12		981		532
CURRENT ASSETS					
Debtors	13	74		301	
Cash at bank		159		167	
		<u>233</u>		<u>468</u>	
CREDITORS: amounts falling due within one year	14	(60)		(48)	
NET CURRENT ASSETS			173		420
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,154</u>		<u>952</u>
Defined benefit pension scheme liability	22		(364)		(333)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u>790</u>		<u>619</u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	15	5		388	
Restricted fixed asset funds	15	1,120		532	
		<u>1,125</u>		<u>920</u>	
Restricted funds excluding pension liability				920	
Pension reserve		(364)		(333)	
		<u></u>		<u></u>	
Total restricted funds			761		587
Unrestricted funds	15		29		32
TOTAL FUNDS			<u>790</u>		<u>619</u>

The financial statements were approved by the Governors, and authorised for issue, on 10 December 2015 and are signed on their behalf, by:



Helen Trotter
Chair of Governors

The notes on pages 24 to 42 form part of these financial statements.

GREAT BOWDEN ACADEMY LTD
(A company limited by guarantee)

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

	Note	2015 £000	2014 £000
Net cash flow from operating activities	17	239	122
Capital expenditure and financial investment	18	(247)	(1)
(DECREASE)/INCREASE IN CASH IN THE YEAR		<u>(8)</u>	<u>121</u>

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

	2015 £000	2014 £000
(Decrease)/Increase in cash in the year	<u>(8)</u>	<u>121</u>
MOVEMENT IN NET FUNDS IN THE YEAR	<u>(8)</u>	<u>121</u>
Net funds at 1 September 2014	167	46
NET FUNDS AT 31 AUGUST 2015	<u><u>159</u></u>	<u><u>167</u></u>

The notes on pages 24 to 42 form part of these financial statements.

GREAT BOWDEN ACADEMY LTD
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from Education Funding Agency.

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

1.3 Incoming resources

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

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Donations 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.

GREAT BOWDEN ACADEMY LTD
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.4 Resources expended

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

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

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

1.6 Tangible fixed assets and depreciation

All assets costing more than £750 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of financial activities and are carried forward in the Balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy's depreciation policy.

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

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

Long-term leasehold property	-	2% straight line
Fixtures and fittings	-	10% straight line
Computer equipment	-	33% straight line

GREAT BOWDEN ACADEMY LTD
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.7 Operating leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.8 Taxation

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

1.9 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 22, the TPS is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

GREAT BOWDEN ACADEMY LTD
(A company limited by guarantee)

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

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	<i>Total funds 2014 £000</i>
Donations	-	-	-	2
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	<i>Total funds 2014 £000</i>
Hire of facilities	1	-	1	1
Other income	3	-	3	11
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	4	-	4	12
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

4. INVESTMENT INCOME

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	<i>Total funds 2014 £000</i>
Bank interest receivable	1	-	1	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

GREAT BOWDEN ACADEMY LTD
(A company limited by guarantee)

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

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
DfE/EFA revenue grants				
General Annual Grant (GAG)	-	533	533	499
Pupil premium	-	12	12	10
Capital grants	-	98	98	405
Other EFA/DfE income	-	30	30	-
	-	673	673	914
Other government grants				
Other local authority revenue grants	-	8	8	33
Other government capital grants	-	110	110	-
	-	118	118	33
Other funding				
Trips and parental contributions	-	10	10	15
Insurance claims	-	11	11	1
Other income	-	11	11	9
Other non government grants	-	-	-	13
Catering income	13	-	13	12
	13	32	45	50
	13	823	836	997

6. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2015 £000	Non Pay Premises 2015 £000	Expenditure Other costs 2015 £000	Total 2015 £000	Total 2014 £000
Educational operations	370	-	60	430	388
Support costs	105	16	73	194	184
Charitable activities	475	16	133	624	572
Governance	-	-	36	36	28
	475	16	169	660	600

GREAT BOWDEN ACADEMY LTD
(A company limited by guarantee)

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

7. CHARITABLE ACTIVITIES

	Total funds 2015 £000	<i>Total funds 2014 £000</i>
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	294	286
National insurance	16	14
Pension cost	60	49
Depreciation	5	4
Educational supplies	23	6
Staff development	9	8
Other direct costs	18	17
Insurance	5	4
	<u>430</u>	<u>388</u>
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	85	81
National insurance	4	3
Pension cost	16	15
Pension finance cost	8	8
Rent and rates	3	3
Energy costs	5	4
Insurance	12	13
Legal and professional	1	2
Other support costs	19	30
Bank charges and interest	1	1
Travel and subsistence	1	1
Recruitment	-	1
Maintenance of premises and equipment	16	23
Cleaning	2	2
Catering costs	21	17
	<u>194</u>	<u>204</u>
	<u><u>624</u></u>	<u><u>592</u></u>

GREAT BOWDEN ACADEMY LTD
(A company limited by guarantee)

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

8. GOVERNANCE COSTS

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Internal audit costs	-	1	1	1
Auditors' remuneration	-	7	7	7
Legal and professional fees	-	28	28	20
	<u>-</u>	<u>36</u>	<u>36</u>	<u>28</u>

9. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £000	2014 £000
Wages and salaries	379	366
Social security costs	20	17
Other pension costs (Note 22)	76	63
	<u>475</u>	<u>446</u>

b. Staff numbers

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

	2015 No.	2014 No.
Teachers	6	7
Administration and support	10	11
Management	2	2
	<u>18</u>	<u>20</u>

c. Higher paid staff

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

GREAT BOWDEN ACADEMY LTD
(A company limited by guarantee)

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

10. GOVERNORS' REMUNERATION AND EXPENSES

One or more Governors has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Governors. The value of Governors' remuneration and other benefits was as follows:

	2015	<i>2014</i>
	£000	<i>£000</i>
Stefanie Edwards (Head Teacher) (Gross salary)	55-60	<i>55-60</i>
Stefanie Edwards (Head Teacher) (Pension)	5-10	<i>5-10</i>
Janye Wicks (Staff Trustee) (Gross salary)	35-40	<i>35-40</i>
Janye Wicks (Staff Trustee) (Pension)	0-5	<i>0-5</i>
Georgina Connors (Staff Trustee) (Gross salary)	0-5	<i>0-5</i>
Georgina Connors (Staff Trustee) (Pension)	0-5	<i>0-5</i>
Julie Dunne (Staff Trustee) (Gross salary)	30-35	<i>30-35</i>
Julie Dunne (Pension)	5-10	<i>5-10</i>

During the year, no Governors received any reimbursement of expenses (2014 - £1 thousand).

11. GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £3,000,000 on any one claim and the cost for the year ended 31 August 2015 was £1,243 (2014 - £1,172). The cost of this insurance is included in the total insurance cost.

GREAT BOWDEN ACADEMY LTD
(A company limited by guarantee)

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

12. TANGIBLE FIXED ASSETS

	Long-term l'hold land £000	Long-term l'hold imp'nts £000	Fixtures and fittings £000	Computer equipment £000	Total £000
Cost					
At 1 September 2014	497	25	5	12	539
Additions	-	445	5	5	455
At 31 August 2015	<u>497</u>	<u>470</u>	<u>10</u>	<u>17</u>	<u>994</u>
Depreciation					
At 1 September 2014	-	-	-	7	7
Charge for the year	-	1	1	4	6
At 31 August 2015	<u>-</u>	<u>1</u>	<u>1</u>	<u>11</u>	<u>13</u>
Net book value					
At 31 August 2015	<u>497</u>	<u>469</u>	<u>9</u>	<u>6</u>	<u>981</u>
At 31 August 2014	<u>497</u>	<u>25</u>	<u>5</u>	<u>5</u>	<u>532</u>

Leasehold land relates to a 125 year lease from Leicestershire County Council and has been included based on an independent valuation obtained at conversion. The remaining property is owned by the local diocese which has granted occupation through a supplemental agreement. No value has been recognised in the financial statements.

13. DEBTORS

	2015 £000	2014 £000
Trade debtors	2	2
VAT recoverable	7	6
Prepayments and accrued income	65	293
	<u>74</u>	<u>301</u>

GREAT BOWDEN ACADEMY LTD
(A company limited by guarantee)

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

14. CREDITORS:

Amounts falling due within one year

	2015 £000	2014 £000
Other taxation and social security	5	5
Other creditors	8	7
Accruals and deferred income	47	36
	<u>60</u>	<u>48</u>
		£000
Deferred income		
Deferred income at 1 September 2014		25
Resources deferred during the year		27
Amounts released from previous years		(25)
		<u>27</u>
Deferred income at 31 August 2015		<u>27</u>

At the balance sheet date the Academy was holding funds received in advance for dinner money, trips, free school meals, money to provide facilities for the provision of free school meals and rates reimbursement in relation to 2015/16.

15. STATEMENT OF FUNDS

	Brought Forward £000	Incoming resources £000	Resources Expended £000	Transfers in/out £000	Gains/ (Losses) £000	Carried Forward £000
Unrestricted funds						
Unrestricted funds	<u>32</u>	<u>18</u>	<u>(21)</u>	<u>-</u>	<u>-</u>	<u>29</u>

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15. STATEMENT OF FUNDS (continued)

Restricted funds

General Annual Grant (GAG)	-	522	(519)	-	-	3
Pupil premium	-	12	(10)	-	-	2
Other EFA/DfE grants	-	41	(41)	-	-	-
Capital grants	386	-	-	(386)	-	-
Other local authority revenue grants	2	8	(10)	-	-	-
Other income	-	32	(32)	-	-	-
LGPS Defined Benefit Pension Scheme	(333)	-	(21)	-	(10)	(364)
	<u>55</u>	<u>615</u>	<u>(633)</u>	<u>(386)</u>	<u>(10)</u>	<u>(359)</u>

Restricted fixed asset funds

EFA/Local authority capital grants	33	208	(5)	247	-	483
Assets transferred on conversion	499	-	(1)	-	-	498
Unspent EFA/Local authority capital grants	-	-	-	139	-	139
	<u>532</u>	<u>208</u>	<u>(6)</u>	<u>386</u>	<u>-</u>	<u>1,120</u>
Total restricted funds	<u>587</u>	<u>823</u>	<u>(639)</u>	<u>-</u>	<u>(10)</u>	<u>761</u>
Total of funds	<u>619</u>	<u>841</u>	<u>(660)</u>	<u>-</u>	<u>(10)</u>	<u>790</u>

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

Unrestricted funds

General Funds represent those resources which may be used towards meeting any of the objects of the Academy at the discretion of the Governors. These are not currently designated for particular purposes.

General Annual Grant

Funds from the Education Funding Agency for the provision of education, in line with the funding agreement. Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2014.

Other DfE/EFA grants

Other funds provided by the DfE/EFA for particular purposes within the academy's educational operations.

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15. STATEMENT OF FUNDS (continued)

Pupil Premium

Additional funds from the Educational Funding Agency to support their disadvantaged pupils and close the attainment gap between them and their peers. This is allocated for every pupil who receives free school meals.

Capital grants

This consists of Devolved Formula Capital (DFC) and other capital funding from the Education Funding Agency. The DFC is to be used for ICT items, improvements to building and other facilities or capital repairs and refurbishments and minor works. Other capital grants are to be used as per the individual terms of the agreement and for the specific capital projects as applied for.

Other local authority revenue grants

Other local authority revenue grants represents funding received from other Government sources to be spent for specific purposes.

Other income

These consist of income from all other sources to be used primarily for the Academy's educational operations.

LGPS Defined Benefit Pension Scheme

Being the fund in relation to the defined benefit pension scheme liability included in the balance sheet. The fund is in deficit given the nature of the liability, however, this is not payable immediately.

Restricted Fixed Asset

The balance represent the net book value of fixed assets acquired by the different sources of funding received by the Academy.

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

SUMMARY OF FUNDS

	Brought Forward £000	Incoming resources £000	Resources Expended £000	Transfers in/out £000	Gains/ (Losses) £000	Carried Forward £000
General funds	32	18	(21)	-	-	29
Restricted funds	55	615	(633)	(386)	(10)	(359)
Restricted fixed asset funds	532	208	(6)	386	-	1,120
	<u>619</u>	<u>841</u>	<u>(660)</u>	<u>-</u>	<u>(10)</u>	<u>790</u>

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16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Restricted fixed asset funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Tangible fixed assets	-	-	981	981	532
Current assets	29	66	139	234	468
Creditors due within one year	-	(61)	-	(61)	(48)
Provisions for liabilities and charges	-	(364)	-	(364)	(333)
	<u>29</u>	<u>(359)</u>	<u>1,120</u>	<u>790</u>	<u>619</u>

17. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £000	2014 £000
Net incoming resources before revaluations	181	390
Depreciation of tangible fixed assets	6	4
Capital grants from DfE/EFA	(98)	(5)
Capital donations	(110)	(19)
Decrease/(increase) in debtors	227	(284)
Increase in creditors	12	23
FRS 17 adjustments	21	13
Net cash inflow from operations	<u>239</u>	<u>122</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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18. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015 £000	2014 £000
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(455)	(25)
Capital grants from DfE/EFA	98	5
Capital donations	110	19
	<u>(247)</u>	<u>(1)</u>
Net cash outflow capital expenditure	<u>(247)</u>	<u>(1)</u>

19. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £000	Cash flow £000	Other non-cash changes £000	31 August 2015 £000
Cash at bank and in hand:	167	(8)	-	159
Net funds	<u>167</u>	<u>(8)</u>	<u>-</u>	<u>159</u>

20. CONTINGENT LIABILITIES

In the event of Great Bowden Academy Ltd ceasing to operate as an academy, provisions are included in the funding agreement relating to the clawback of assets and monies paid to the Academy.

21. CAPITAL COMMITMENTS

At 31 August 2015 the academy had capital commitments as follows:

	2015 £000	2014 £000
Contracted for but not provided in these financial statements	<u>102</u>	<u>391</u>

22. PENSION COMMITMENTS

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

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

Contributions amounting to £7,607 were payable to the scheme at 31 August 2015 (2014 - £7,321) and are included within creditors.

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22. PENSION COMMITMENTS (continued)

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

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

The pension costs paid to TPS in the period amounted to £32,000 (2014 - £30,000).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

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**NOTES TO THE FINANCIAL STATEMENTS
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22. PENSION COMMITMENTS (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £40,000, of which employer's contributions totalled £31,000 and employees' contributions totalled £9,000. The agreed contribution rates for future years are 18.2% for employers and a maximum of 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £000	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £000
Equities	3.70	172	6.30	150
Bonds	3.70	55	3.30	36
Property	3.70	29	4.50	21
Cash	3.70	5	3.30	6
Total market value of assets		<u>261</u>		<u>213</u>
Present value of scheme liabilities		<u>(625)</u>		<u>(546)</u>
(Deficit)/surplus in the scheme		<u><u>(364)</u></u>		<u><u>(333)</u></u>

The amounts recognised in the Balance sheet are as follows:

	2015 £000	2014 £000
Present value of funded obligations	(625)	(546)
Fair value of scheme assets	<u>261</u>	<u>213</u>
Net liability	<u><u>(364)</u></u>	<u><u>(333)</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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22. PENSION COMMITMENTS (continued)

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

	2015 £000	2014 £000
Current service cost	(44)	(33)
Interest on obligation	(21)	(21)
Expected return on scheme assets	13	13
Total	(52)	(41)
Actual return on scheme assets	9	27

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

	2015 £000	2014 £000
Opening defined benefit obligation	546	447
Current service cost	44	33
Interest cost	21	21
Contributions by scheme participants	9	8
Actuarial Losses	6	38
Benefits paid	(1)	(1)
Closing defined benefit obligation	625	546

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

	2015 £000	2014 £000
Opening fair value of scheme assets	213	206
Expected return on assets	13	13
Actuarial gains and (losses)	(4)	(41)
Contributions by employer	31	28
Contributions by employees	9	8
Benefits paid	(1)	(1)
	261	213

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £116,000 loss (2014 - £106,000 loss).

The academy expects to contribute £34,000 to its Defined benefit pension scheme in 2016.

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**NOTES TO THE FINANCIAL STATEMENTS
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22. PENSION COMMITMENTS (continued)

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

	2015	<i>2014</i>
Equities	66.00 %	<i>70.00 %</i>
Bonds	21.00 %	<i>17.00 %</i>
Property	11.00 %	<i>10.00 %</i>
Cash	2.00 %	<i>3.00 %</i>

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

	2015	<i>2014</i>
Discount rate for scheme liabilities	3.70 %	<i>3.70 %</i>
Expected return on scheme assets at 31 August	3.70 %	<i>5.50 %</i>
Rate of increase in salaries	4.50 %	<i>4.40 %</i>
Rate of increase for pensions in payment / inflation	2.60 %	<i>2.60 %</i>

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

	2015	<i>2014</i>
Retiring today		
Males	22.2	<i>22.2</i>
Females	24.3	<i>24.3</i>
Retiring in 20 years		
Males	24.2	<i>24.2</i>
Females	26.6	<i>26.6</i>

Amounts for the current and previous two periods are as follows:

Defined benefit pension schemes

	2015	<i>2014</i>	<i>2013</i>
	£000	<i>£000</i>	<i>£000</i>
Defined benefit obligation	(625)	<i>(546)</i>	<i>(447)</i>
Scheme assets	261	<i>213</i>	<i>206</i>
Deficit	(364)	<i>(333)</i>	<i>(241)</i>
Experience adjustments on scheme liabilities	-	<i>-</i>	<i>(42)</i>
Experience adjustments on scheme assets	(4)	<i>(41)</i>	<i>15</i>

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23. OPERATING LEASE COMMITMENTS

At 31 August 2015 the academy had annual commitments under non-cancellable operating leases for other equipment as follows:

	2015	<i>2014</i>
	£000	<i>£000</i>
Expiry date:		
Within 1 year	<u>1</u>	<u>1</u>

24. RELATED PARTY TRANSACTIONS

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

No related party transactions took place in the current or previous year.