

BIGGLESWADE ACADEMY TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

BIGGLESWADE ACADEMY TRUST
(A Company Limited by Guarantee)

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

Members	M Topley J Dilley A Masson G Waghorn E Wyatt
Trustees	M Topley, Chair J Dilley A Masson G Waghorn E Wyatt J Bull T Woodward R Ellison D Byrne A Galea (appointed 1 September 2014) D Cooke (appointed 19 May 2015) S Flynn, Acting Principal (appointed 26 June 2015) S Phillips, Principal
Company Secretary	Mrs Sharon Wheeler
Senior Management Team Leadership	Mr S Phillips, Principal Ms S Flynn, Acting Academy Principal Mrs C McGuckian, Vice Principal Mr M Steer, Vice Principal Ms D Briars, Associate Principal Mrs R Wilson, Associate Principal
Registered and principal office	Mead End Biggleswade Bedfordshire SG18 8JU
Company registered number	07928028
Independent Auditors	Price Bailey LLP Chartered Accountants Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT
Bankers	Lloyds Bank plc PO Box 1000 Andover BX1 1LT
Solicitors	Stone King LLP 16 St John's Lane London EC1M 4BS

BIGGLESWADE ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

The Trustees present their Annual Report together with the financial statements and Auditor's report of Biggleswade Academy Trust (the Charitable Company, to Trust as the Academy) for the year to 31 August 2015. The Annual Report serves the purposes of both a Trustees' report and a Director's report under company law.

The Trust operates as a single 2-13 School, formed from the former Pre-Lower and Middle schools on its site. The Trust currently has 897 pupils on roll at Biggleswade Academy and 85 children accessing Early Years Provision at Biggleswade Academy Pre-school. In addition, from April 2014 the Trust has been providing Leadership and Management support to 'The Lawns Nursery School and Children's Centre in Biggleswade.

Structure, Governance and Management

Constitution

The Trust is a Company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are its primary governing documents.

The Directors act as the Trustees for the charitable activities of the Trust and are also the Directors of the Charitable Company for the purposes of company law.

Details of the Trustees who served throughout the year are included in the reference and administration details on page 1.

Members Liability

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

Trustees' Indemnities

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides up to £5,000,000 on any one. The cost of this insurance is included in the total insurance cost.

Method of Recruiting and Appointment or Election of Trustees

Members

Members of the Company comprise of the signatories to the Memorandum of Association and the Chair of the Trustees. The Members may agree unanimously in writing to appoint additional Members as they see fit. They may also unanimously in writing agree to remove any such additional Members.

Any Member may resign provided that after such resignation the number of Members is not less than three.

Trustees

All Members of the Company are currently also Trustees of the Multi Academy Trust.

All Trustees have a term of office of 4 years. If they remain eligible under their Trustee heading they may be re-appointed or re-elected.

Members may appoint up to 7 Trustees and can appoint Staff Trustees through any such process as they may determine provided that the total number of Trustees who are employees does not exceed one third of the total number of Trustees.

At 1st September 2012 Biggleswade Academy Trust – Holmemead Middle School was the only Academy within the Multi Academy Trust. On 1st March 2013 Southlands Lower School was granted Academy status and joined the Multi Academy Trust. At this point 4 Governors from the previous Southlands Lower School Governing Body joined the Multi Academy Trust as Trustees.

At 1st September 2013 the component schools within Biggleswade Academy Trust (Holmemead Middle School, Southlands Lower School and Brigham Pre School and the Den) merged to form Biggleswade Academy. However, Biggleswade Academy Trust remains a Multi Academy Trust, albeit one that currently has only one school, Biggleswade Academy, within the Trust.

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In the event of more Schools joining the Trust there must be a minimum of 2 Parent Trustees for every 10 or fewer Academies and they would be elected by the Parent members of the individual governing bodies as per their terms of reference. Any elected Parent Trustee must be a parent of a registered pupil at one of the School; or where it is not reasonable to do so, a person who is the parent to a child of compulsory school age, at the time of this election.

The Trustees may appoint up to 3 Co-opted Trustees but should not co-opt an employee of the Company if it would mean the total number of Trustees who are employees would exceed a third. A Co-opted Trustees may not themselves appoint further Co-opted Trustees.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees and members of individual governing bodies will depend on their existing experience. Where necessary, induction will provide training on charity and educational legal and financial matters. All new Trustees and Governors will be offered a tour of the School and the chance to meet staff and students.

All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally few new Trustees a year, induction tends to be done informally and is tailored specifically to the individual.

Organisational Structure

The Trust is constituted under its Articles of Association. The Board of Trustees and Senior Leadership Team are detailed on page 2 of this report.

The Trustees make the key decisions for and determine the general policies of the Trust and meet at least four times a year as a full board and receive reports from the sub committees. There are four sub committees that support the Board; Finance and General Purposes, Standards and Performance, Admissions and Pay. With the exclusion of the Pay Committee which meets once a year all meet a minimum of 3 times a year (additional meetings if required).

The Trust has defined the responsibilities of each person involved in the administration of Trust finance to avoid the duplication or omission of functions and to provide a framework of accountability for trustees and staff. The financial reporting structure is illustrated below:

The Board of Trustees

The Board of Trustees has overall responsibility for the administration of the Trust's finances. The main responsibilities of the Board of Trustees are prescribed in the Funding Agreement(s) as follows:

- Master Funding Agreement with the Secretary of State for Education - dated 1st March 2012 Setting up the Multi Academy Trust (MAT) on the conversion to Academy status of Holmemead Middle School on 1st March 2012.
- Supplementary Funding Agreement with the Secretary of State for Education – dated 1st March 2013 Issued on the conversion to Academy status of Southlands Lower School who joined the MAT on 1st March 2013.
- Deed of Variation to the Master Funding Agreement with the Secretary of State for Education – dated 2nd August 2013 – issued to delete and replace in their entirety clauses 19 and 20 and to add a new clause 20A.

The Finance & General Purposes Committee (F&GP)

The F&GP is a Committee of the Board of Trustees. The F&GP meets at least once a term – more frequently if key dates or important business requires it. The main responsibilities of the F&GP are detailed in written terms of reference which have been authorised by the Board of Trustees.

The Principal

The Principal is the Accounting Officer however at the date of signing this report the Principal was on a leave of absence due to ill health and therefore the Acting Principal is the Accounting Officer. Within the framework of the Academy Improvement Plan (AIP) as approved by the Board of Trustees the Principal / Acting Principal has overall executive responsibility for the Trustee's activities including financial activities.

Connected Organisations, including Related Party Relationships

Across the town of Biggleswade there are 13 education establishments that form the Biggleswade Community Union of Schools (BCUS). All members of BCUS are committed to working closely together in order to ensure the best provision possible for all pupils within the town and surrounding villages of Biggleswade.

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As part of this close working through BCUS the Trust responded positively to an approach for help from the town's maintained nursery school and children's centre in April 2014. Consequently, Biggleswade Academy and The Lawns Nursery School and Children's Centre are developing a close partnership with shared leadership and management whilst longer term options are being explored.

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

Objectives and Activities

Objects and Aims

Biggleswade Academy is the only school of its type within the town of Biggleswade and provides High Quality Education and Care for children and young people aged 2-13 from 7.30am – 6pm for 51 weeks of the year.

The principal object and activity of the Charitable Company is the operation of the Biggleswade Academy Trust "to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools ("the Academies") offering a broad and balanced curriculum."

The Trust provides 'through' education for a large number of its pupils, whilst matching the existing 3-tier system in operation within the town for others.

Strategies and Activities

Within the School Improvement Plan (SIP) for the academic year to 31st August 2016 the areas identified as being key to the future success of the Academy during the rigorous on-going self-evaluation process are:

Leadership and Management

To effectively manage the consultation and proposed merger processes between the Lawns Nursery School and children's Centre and Biggleswade Academy Trust, embedding consistent systems across the entire Trust at all levels of:

- Governance
- Finance
- Personnel
- Also within the revised EY staffing structure

To maintain and develop high performing and well-motivated 'teams within teams' across all areas of Academy performance.

Quality of Learning, Teaching and Assessment:

To develop an appropriate and effective assessment system for use across the entire Academy age range (2-13) to replace the 'Levels' system previously required by the National Curriculum.

To develop use of iPads & mobile technology across all areas of the Academy curriculum in all year groups with a particular focus on the '1-1' programme in KS2&3.

To comprehensively review and revise the Academy curriculum to ensure a 'Growth Mind-set' and high levels of aspiration through ensuring:

- Necessary coverage of the New National Curriculum in Years 2& 6 (last remaining years on 'old' curriculum 2014-15)
- Appropriate rigour
- Specialism appropriate to lead effectively to GCSE and beyond.
- Breadth within and across all relevant curriculum areas.
- Engagement from **all** students in **all** subjects at **all** times.

Fully embed the principles of LAC in all key stages.

To successfully integrate early year's practice across our two outstanding providers (Pre-school and nursery) to allow the systematic sharing and development of excellent practice.

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Personal Development, Behaviour and Welfare:

- To develop significantly improved systems for family engagement, involvement and relationship building.

Outcomes for children and learners:

- To maintain a clear focus on sustaining levels of performance at all national testing points which are in line with or above both national expectations and averages.
- To ensure the systematic embedding of approaches at all levels of L&M to ensure high levels of progress and attainment, behaviour, safety and inclusion for all groups of pupils across the Academy.

Public Benefit

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

The Academy's public benefit is enshrined in its charitable objectives, which state "to promote for the benefit of the inhabitants of Biggleswade and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants."

Strategic Report

Achievements and Performance

The second full year of the Academy's academic performance as a 2-13 School showed excellent returns on the investments made in the run up to the merger and full conversion.

- Early Years results were once again above the National average for the number of children demonstrating a 'good level of development'.
- KS1 results were significantly above last year's National average according to Central Bedfordshire and National benchmark data in all but 1 of the 9 indicators for Reading, Writing & Maths and are above the expected level of 2b, above average 2a and significantly above average L3.
- KS2 results were one of the most improved in the county with the significant amount of work in Maths now being rewarded with a 10%+ rise at L4. These figures are now significantly above national average in Reading, Writing, Maths and also Grammar, Spelling and Punctuation. In addition, for the second year, we are continuing to see a differential for pupils who have experienced their entire KS2 within the Academy and those joining in Y5 as the benefits of accelerated progress across the historical 'transition point' continue to be seen.
- KS3 results (exit data) continue to perform significantly above National benchmarks and either in line with or above the National for middle schools (based on unofficial National Middle Schools Forum data), demonstrating a sustaining of performance at this level whilst the 'wave' of increased performance lower down the School continues to work its way up the age ranges year on year.

Key Performance Indicators

Reference has been made to academic performance indicators in the Achievement and Performance Section. The academy also measures financial key performance indicators during the year to monitor and assess its financial position.

	Actual	Target
Revenue income per pupil	£5k	£5k
Staff costs to revenue income	80%	80%
Teaching staff costs to total staff costs	61%	63%
Current asset to current liabilities	3:1	>1.5

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Going Concern

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

Financial Review

Financial report for the year

The majority of the Trust's income is obtained from the DfE in the form of recurrent grants. The grants received from the DfE during the year ended 31 August 2015 and the associated expenditure are shown in the Statement of Financial Activities.

During the year ended 31 August 2015, total income was £4,633,264, compared with total expenditure of £4,313,271 which shows a carry forward of £319,993 of income in excess of expenditure.

At 31 August 2015, the net book value of fixed assets was £7,349,958. The assets were used exclusively for providing education and the associated support services to the students of the Academy.

Reserves Policy

The Trustees are aware of the requirement to balance current and future needs. The Trustees always aim to set a balanced budget with annual income balancing annual expenditure. As such, the Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams.

The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £80,529. The cash balance of the Academy has been much improved during the year, ending the year with a balance of £732,992.

The Academy's 'free' reserves are its funds after excluding restricted funds. 'Reserves' are therefore the resources the academy has or can make available to spend for any or all of the Academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'free reserves' represent income to the Academy which is to be spent at the Trustees' discretion in furtherance of any of the Academy's objects but which is not yet spent, committed or designated.

Funds in deficit

The Academy Trust's non-teaching staff are entitled to membership of the Local Government Pension Scheme. The Academy Trust's share of the Scheme's assets is currently assessed to be less than its liabilities in the Scheme and consequently the Academy Balance Sheet shows a net liability of £833,000. However, the deficit does not mean that an immediate liability for this amount crystallises. The contribution rate to reduce the liability is calculated by an independent actuary.

Investment Policy

The Academy does not hold any investments, and as such a policy is not required.

Financial and Risk Management Objectives and Policies

Robust procedures and a robust financial system is in place which was built 'from the ground up' which provides evidence based cross-checking of the Academies financial position and delivers redundancy in the system to deal with unexpected challenges.

Risk Management

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy and its finances. The Trustees have implemented a number of systems to assess risks that the Academy faces, especially in the operational areas (e.g. in relation to teaching, health & safety, bullying and school trips) and in relation to the control of finance.

External Health & Safety Consultants, Hoskins Associates, were engaged to complete full health and safety audits across both Academies and produced detailed reports that have been shared with the Governing Body. Action plans have been prepared to address any risks identified. As of August 2015, the services of Cousins Safety Ltd were requisitioned on a

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flexible contract to continue to provide expert guidance.

External ICT Consultants (9ine Consulting Limited) were engaged to carry out a thorough audit of ICT systems, controls and equipment. This report was received in October 2013 and led to further investment during 2013/14/15 to ensure that ICT infrastructure was sufficiently developed to meet the demands of a modern academy.

The Trust operates a rigorous safeguarding system. New staff are vetted thoroughly through enhanced DBS checks and the right to work checks. Internal operational procedures ensure that visitors and contractors are supervised at all times and the school grounds are secure.

The Academy has an effective system of financial control which is scrutinised on a regular basis by the externally appointed Responsible Officer. Reports are submitted to the F&GP Committee and any areas of concern addressed. Where significant financial risk still remains, the Trust has ensured that adequate insurance cover exists.

Principal Risks and Uncertainties

Outlined below is a description of the principal risk factors that may affect the Academy. However, not all factors are within the Academy's control and other factors besides those listed below may also adversely affect the Academy.

Government funding

The Academy has considerable reliance on continued government funding through the Education Funding Agency (EFA) and the Local Authority. The Review of 2014-15 School Funding Arrangements and the resulting changes to the way Government grants are paid to the Academies has been followed closely and shared with Trustees.

This risk has and will be mitigated in a number of ways:

- Funding is derived through a number of direct and indirect contractual arrangements;
- Considerable focus and investment is placed on maintaining and managing key relationships with the various funding bodies;
- Ensuring the Academy is focused on those priority sectors which will continue to benefit from public funding;
- Contingency planning embedded into the Academy budget process;
- Comparison of previous funding methodology and the new funding process was carried out in advance of budget setting.

Maintain adequate funding of pension liabilities

The financial statements report the share of the Local Government Pension Scheme deficit on the Academy's balance sheet in line with the requirements of FRS 17.

The Academy takes professional advice on this position and makes appropriate contributions on the basis of that advice to ensure the deficit does not become unmanageable.

Pupil Strategy

The Academy seeks to maintain its popularity with current and prospective pupils by:

- ensuring the Academy delivers high quality learning and teaching;
- maintaining outstanding success rates and good inspection outcomes; and
- continuing to invest in its teaching staff and resources.

The Academy provides a unique market-leading learning environment for children aged 2 to 13. This is seen as a model that is attracting parents and leading to new pupils.

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TRUSTEES' REPORT (continued)
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Plans for Future Periods

The Academies immediate focuses for development are identified in the Objectives, Strategies and Activities section above, however in addition to these the Academy continues to develop its links with 'The Lawns Nursery School and Children's Centre', also an outstanding provider of Early Years provision within the Town. Many benefits are already being seen from this work, both 'on the ground' for our children and 'behind the scenes' for the operations of both settings.

Funds held as Custodian Trustee on behalf of others

The Academy does not hold such funds.

Statement of disclosure to auditors

In so far as the Trustees are aware:

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

Trustees' Report, incorporating a Strategic Report, approved by the Board of Trustees, on 19 November 2015 and signed on its behalf by:

M Topley
Chair of Trustees

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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that Biggleswade 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 Board of Trustees has delegated the day-to-day responsibility to the Acting Academy Principal, Shelley Flynn, 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 Master Funding Agreement, Supplementary Funding Agreement and Deed of Variation to the Master Funding Agreement between Biggleswade Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdown in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Trustees' Responsibilities Statement. The Board of Trustees has formally met 9 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
M Topley, Chair	5	9
J Dilley	8	9
A Masson	7	9
G Waghorn	9	9
E Wyatt	7	9
J Bull	8	9
T Woodward	0	9
R Ellison	8	9
D Byrne	9	9
A Galea	4	9
D Cooke	2	2
S Flynn, Acting Principal	0	0
S Phillips, Principal	8	9

During the year Agie Galea and Daniel Cooke joined as Trustees. Tim Woodward had a special leave of absence due to ill health.

Finance & General Purposes Committee

It was agreed that the Board of Trustees would meet monthly in order to review the Management Accounts & other financial issues instead of delegating this responsibility to the Finance & General Purposes Committee.

REVIEW OF VALUE FOR MONEY

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

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Trust has delivered improved value for money during the year by:

- carrying out a whole school organisational restructure to ensure that all current posts and their contracts are in line with delivering the Academies aims and objectives;
- reviewing current service contracts to ensure they deliver value for money. This has resulted in a change of supplier for staff absence insurance, mobile phones, photocopier leases, software leases and the cessation of some contracts no longer considered essential;
- reviewing trading services to ensure they support in raising additional income for the Academy. This has resulted in an amendment of fee charges for the hire of the Academies facilities and the provision of early year's education and out of hours childcare;
- the introduction of selling staff expertise on a consultancy basis to other educational establishments generating

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GOVERNANCE STATEMENT (continued)

- additional revenue;
- the employment of specialists into the roles of financial and human resource management to support in ensuring the implementation of a robust internal control framework; and
- financial management training for the Trustees to ensure they feel competent to monitor the budget and challenge spending decisions.

Work will continue in 2015-16 to deliver further efficiency savings.

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'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 Biggleswade Academy Trust for the period 1st September 2014 to 31st August 2015 and up to the date of approval of the Annual Report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the 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 Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

The Academy's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Financial 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; and
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint SBM Services (uk) Limited as internal auditor.

During the period covered by this report there are some areas where internal controls could be further improved and these were reported to the Board of Trustees along with an action plan to address the issues raised.

The Internal Auditor's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. In particular the checks carried out in the current period included:

- Income testing
- Purchasing and creditors testing
- Bank testing

On a termly basis, the Internal Auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The Internal Auditor delivered their schedule of works as planned and no material control issues were identified.

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GOVERNANCE STATEMENT (continued)

REVIEW OF EFFECTIVENESS

As Accounting Officer, the Acting Academy Principal Shelly Flynn, 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 Auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 19 November 2015 and signed on its behalf, by:

M Topley
Chair of Trustees

S Flynn
Accounting Officer

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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Biggleswade Academy Trust I have considered my responsibility to notify the Board of Trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2014).

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

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

S Flynn
Accounting Officer

Date: 19 November 2015

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TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

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

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

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

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

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

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

Approved by order of the Board of Trustees on 19 November 2015 and signed on its behalf by:

M Topley
Chair of Trustees

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BIGGLESWADE ACADEMY TRUST

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 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 Trustees' Report, incorporating the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

BIGGLESWADE ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BIGGLESWADE 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 financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Gary Miller (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants
Statutory Auditors

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

BIGGLESWADE ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO
BIGGLESWADE ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 26 June 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Biggleswade Academy Trust 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 Biggleswade Academy Trust and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Biggleswade Academy Trust 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 Biggleswade Academy Trust and EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF BIGGLESWADE ACADEMY TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Biggleswade Academy Trust's funding agreement with the Secretary of State for Education dated 1 March 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.

The work undertaken to draw to our conclusion includes:

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

BIGGLESWADE ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO
BIGGLESWADE 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 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.

Gary Miller (Reporting Accountant)

Price Bailey LLP

Chartered Accountants

10 December 2015

BIGGLESWADE ACADEMY TRUST
(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

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Transfer on conversion	2	-	-	-	-	34,512
Other voluntary income	2	4,909	115,174	-	120,083	321,828
Activities for generating funds	3,4	195,323	-	-	195,323	191,824
Investment income	5	385	-	-	385	409
Incoming resources from charitable activities	6	144,690	3,708,344	464,439	4,317,473	3,867,967
TOTAL INCOMING RESOURCES		345,307	3,823,518	464,439	4,633,264	4,416,540
RESOURCES EXPENDED						
Costs of generating funds:						
Costs of generating voluntary income						
Fundraising expenses and other costs	4	-	-	-	-	1,379
Charitable activities	8	255,842	3,710,503	233,529	4,199,874	4,308,718
Governance costs	9	-	113,397	-	113,397	74,959
TOTAL RESOURCES EXPENDED	7	255,842	3,823,900	233,529	4,313,271	4,390,345
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS						
		89,465	(382)	230,910	319,993	26,195
Transfers between Funds	17	-	(17,868)	17,868	-	-
NET INCOME FOR THE YEAR		89,465	(18,250)	248,778	319,993	26,195
Actuarial gains and losses on defined benefit pension schemes		-	(57,000)	-	(57,000)	(203,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		89,465	(75,250)	248,778	262,993	(176,805)
Total funds at 1 September 2014		(8,936)	(704,698)	7,527,464	6,813,830	6,990,635
TOTAL FUNDS AT 31 AUGUST 2015		80,529	(779,948)	7,776,242	7,076,823	6,813,830

All activities relate to continuing operations.

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

The notes on pages 21 to 37 form part of these financial statements.

BIGGLESWADE ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07928028

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	13		7,349,958		7,527,464
CURRENT ASSETS					
Debtors	14	105,761		400,886	
Cash at bank		732,992		70,981	
		<u>838,753</u>		<u>471,867</u>	
CREDITORS: amounts falling due within one year	15	(250,025)		(453,501)	
NET CURRENT ASSETS			<u>588,728</u>		<u>18,366</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>7,938,686</u>		<u>7,545,830</u>
CREDITORS: amounts falling due after more than one year	16		(28,863)		-
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY			<u>7,909,823</u>		<u>7,545,830</u>
Defined benefit pension scheme liability	23		(833,000)		(732,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>7,076,823</u></u>		<u><u>6,813,830</u></u>
FUNDS OF THE ACADEMY					
Restricted funds :					
Restricted funds	17	53,052		27,302	
Restricted fixed asset funds	17	7,776,242		7,527,464	
		<u>7,829,294</u>		<u>7,554,766</u>	
Restricted funds excluding pension liability		7,829,294		7,554,766	
Pension reserve		(833,000)		(732,000)	
		<u>6,996,294</u>		<u>6,822,766</u>	
Total restricted funds			6,996,294		6,822,766
Unrestricted funds	17		80,529		(8,936)
TOTAL FUNDS			<u><u>7,076,823</u></u>		<u><u>6,813,830</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 19 November 2015 and are signed on their behalf, by:

S Flynn
Acting Principal

The notes on pages 21 to 37 form part of these financial statements.

BIGGLESWADE ACADEMY TRUST
(A Company Limited by Guarantee)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	19	644,870	106,852
Returns on investments and servicing of finance		2,933	409
Capital expenditure and financial investment		(17,868)	(288,147)
CASH INFLOW/(OUTFLOW) BEFORE FINANCING		629,935	(180,886)
Financing		32,076	-
INCREASE/(DECREASE) IN CASH IN THE YEAR		662,011	(180,886)

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

	2015 £	2014 £
Increase/(Decrease) in cash in the year	662,011	(180,886)
Cash outflow from decrease in debt and lease financing	(32,076)	-
MOVEMENT IN NET FUNDS IN THE YEAR	629,935	(180,886)
Net funds at 1 September 2014	70,981	251,867
NET FUNDS AT 31 AUGUST 2015	700,916	70,981

The notes on pages 21 to 37 form part of these financial statements.

BIGGLESWADE ACADEMY TRUST
(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. The financial statements have been prepared in accordance with the Statement of Recommended Practice, 'Accounting and Reporting by Charities' published in March 2005 (SORP), the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 Going concern

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

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.

Any donated services and gifts in kind provided to the Academy are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy's policies.

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

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.

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.

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

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

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

All resources expended are inclusive of irrecoverable VAT.

BIGGLESWADE ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.5 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

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

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

L/Term Leasehold Property	-	2% straight line
Motor vehicles	-	20% straight line
Fixtures and fittings	-	20% straight line
Computer equipment	-	33% straight line

1.6 Operating leases

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

1.7 Taxation

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

BIGGLESWADE ACADEMY TRUST
(A Company Limited by Guarantee)

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

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 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 23, 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 pension interest adjustment in note 21. Actuarial gains and losses are recognised immediately in other gains and losses.

1.9 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education.

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

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Transfer on conversion	-	-	-	34,512
Donations	4,909	-	4,909	191,165
Trip income	-	115,174	115,174	130,663
Subtotal	4,909	115,174	120,083	321,828
Voluntary income	4,909	115,174	120,083	356,340

BIGGLESWADE ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Hire of facilities	38,504	38,504	31,969
Catering Income	101,980	101,980	100,319
Other income	54,839	54,839	59,536
	<u>195,323</u>	<u>195,323</u>	<u>191,824</u>

4. TRADING ACTIVITIES

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Fundraising trading expenses				
Goods for resale	-	-	-	5,289
	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,289</u>
Net expenditure from trading activities	-	-	-	(5,289)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,289)</u>

5. INVESTMENT INCOME

	Unrestricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Bank interest	385	385	409
	<u>385</u>	<u>385</u>	<u>409</u>

BIGGLESWADE ACADEMY TRUST
(A Company Limited by Guarantee)

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

6. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA revenue grants			
General Annual Grant (GAG)	3,072,934	3,072,934	3,083,550
Other DfE / EFA grants	281,740	281,740	295,423
Condition improvement grant	449,792	449,792	-
	<u>3,804,466</u>	<u>3,804,466</u>	<u>3,378,973</u>
Other government grants			
Local authority grants	368,317	368,317	396,648
	<u>368,317</u>	<u>368,317</u>	<u>396,648</u>
Other funding			
DEN and Nursery income	-	144,690	92,346
	<u>-</u>	<u>144,690</u>	<u>92,346</u>
	<u>4,172,783</u>	<u>4,317,473</u>	<u>3,867,967</u>

7. RESOURCES EXPENDED

	Staff costs 2015 £	Premises 2015 £	Non Pay Expenditure Other costs 2015 £	Total 2015 £	Total 2014 £
Costs of generating voluntary income	-	-	-	-	1,379
Fundraising expenses	285,576	-	7,654	293,230	5,289
Costs of generating funds	<u>285,576</u>	<u>-</u>	<u>7,654</u>	<u>293,230</u>	<u>6,668</u>
Provision of education - Direct costs	2,583,289	193,775	451,345	3,228,409	3,077,609
Provision of education - Support costs	479,219	1,600	490,646	971,465	959,303
Charitable activities	<u>3,062,508</u>	<u>195,375</u>	<u>941,991</u>	<u>4,199,874</u>	<u>4,036,912</u>
Governance	<u>-</u>	<u>-</u>	<u>113,397</u>	<u>113,397</u>	<u>74,959</u>
	<u>3,348,084</u>	<u>195,375</u>	<u>1,063,042</u>	<u>4,606,501</u>	<u>4,118,539</u>

BIGGLESWADE ACADEMY TRUST
(A Company Limited by Guarantee)

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

8. CHARITABLE ACTIVITIES

	Total funds 2015 £	Total funds 2014 £
DIRECT COSTS		
Wages and salaries	2,359,668	2,406,852
National insurance	160,338	167,606
Pension cost	315,070	292,067
Depreciation	193,775	190,917
Educational supplies	151,959	136,058
Staff development	12,783	24,545
Technology costs	1,027	23,493
Other costs	-	43,389
Supply teaching	16,007	31,352
Exit packages	17,782	10,000
	<u>3,228,409</u>	<u>3,326,279</u>
SUPPORT COSTS		
Wages and salaries	409,966	501,226
National insurance	15,726	23,270
Pension cost	49,430	16,028
Depreciation	1,600	1,600
LGPS adjustment	6,000	11,000
Technology costs	54,133	37,146
Travel & subsistence	5,685	5,271
Other costs	21,421	20,561
Recruitment & support	8,600	7,043
Maintenance of premises & machinery	98,100	94,505
Cleaning	10,848	13,900
Rates	64,829	34,771
Energy	31,338	50,023
Insurance	70,040	34,466
Catering	85,066	66,409
Bank interest & charges	797	123
Telephone and printing, postage and stationery	26,135	41,961
Nursery costs	7,654	23,136
Exit packages	4,097	-
	<u>971,465</u>	<u>982,439</u>
	<u>4,199,874</u>	<u>4,308,718</u>

BIGGLESWADE ACADEMY TRUST
(A Company Limited by Guarantee)

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

9. GOVERNANCE COSTS

	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Auditors' remuneration	14,513	14,513	10,500
Legal and professional	84,437	84,437	44,515
Personnel costs	-	-	15,994
Auditors' non-audit costs	14,447	14,447	3,950
	<u>113,397</u>	<u>113,397</u>	<u>74,959</u>
	<u>113,397</u>	<u>113,397</u>	<u>74,959</u>

The governance costs relating the to current year auditors (Price Bailey LLP) were as follows:

Auditors' remuneration: £9,000
Auditors' non-audit costs £2,250

10. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned or leased by the Academy	195,374	192,517
Operating lease rentals:		
- other operating leases	2,398	9,900
	<u>2,398</u>	<u>9,900</u>
	<u>2,398</u>	<u>9,900</u>

11. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	2,769,634	2,908,078
Social security costs	176,064	190,876
Other pension costs	364,500	308,095
	<u>3,310,198</u>	<u>3,407,049</u>
Supply teacher costs	16,007	31,352
Voluntary redundancy payments	21,879	10,000
	<u>3,348,084</u>	<u>3,448,401</u>
	<u>3,348,084</u>	<u>3,448,401</u>

b. Staff severance payments

The voluntary redundancy payments were made after taking external professional advice and were approved by the Board of Trustees. Individually there was one payment in excess of £5,000 which was for an amount of £17,782.

BIGGLESWADE ACADEMY TRUST
(A Company Limited by Guarantee)

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

11. STAFF (continued)

c. 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	41	39
Management	6	7
Administration and support	65	71
	112	117
	112	117

d. Higher paid staff

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

	2015 No.	2014 No.
In the band £ 90,001 - £100,000	0	1
In the band £100,001 - £110,000	1	0
	1	1
	1	1

The employee above participated in the Teacher's Pension Scheme.

TRUSTEES' REMUNERATION AND EXPENSES

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

S Phillips (Principal)

Remuneration £105,000-£110,000 (2014: £95,000-£100,000)

Employer's Pension contribution £10,000-£15,000 (2014: £10,000-£15,000)

E Wyatt (Trustee)

Remuneration £40,000-£45,000 (2014: £40,000-£45,000)

Employer's Pension contribution £5,000-£10,000 (2014: £5,000-£10,000)

J Bull (Trustee)

Remuneration £10,000-£15,000 (2014: £nil)

Employer's Pension contribution £0-£5,000 (2014: £nil)

During the period ended 31 August 2015, expenses totalling £659 (2014: £560) were reimbursed or paid directly to one trustee (2014: 1 trustee).

Other related party transactions involving the Trustees are set out in note 24.

12. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2015 was included in the total insurance cost.

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**NOTES TO THE FINANCIAL STATEMENTS
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13. TANGIBLE FIXED ASSETS

	Long term leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2014	7,627,290	6,250	105,777	143,813	7,883,130
Additions	-	-	-	17,868	17,868
At 31 August 2015	<u>7,627,290</u>	<u>6,250</u>	<u>105,777</u>	<u>161,681</u>	<u>7,900,998</u>
Depreciation					
At 1 September 2014	260,672	1,250	29,791	63,953	355,666
Charge for the year	124,321	1,250	21,154	48,649	195,374
At 31 August 2015	<u>384,993</u>	<u>2,500</u>	<u>50,945</u>	<u>112,602</u>	<u>551,040</u>
Net book value					
At 31 August 2015	<u><u>7,242,297</u></u>	<u><u>3,750</u></u>	<u><u>54,832</u></u>	<u><u>49,079</u></u>	<u><u>7,349,958</u></u>
At 31 August 2014	<u><u>7,366,618</u></u>	<u><u>5,000</u></u>	<u><u>75,986</u></u>	<u><u>79,860</u></u>	<u><u>7,527,464</u></u>

14. DEBTORS

	2015 £	2014 £
Trade debtors	27,906	125,325
VAT recoverable	20,275	-
Other debtors	27,462	112,105
Prepayments and accrued income	30,118	163,456
	<u>105,761</u>	<u>400,886</u>

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FOR THE YEAR ENDED 31 AUGUST 2015

15. CREDITORS:
Amounts falling due within one year

	2015	2014
	£	£
Other loans	3,213	-
Trade creditors	59,209	28,119
Other taxation and social security	52,397	54,422
Other creditors	42,225	58,818
Accruals and deferred income	92,981	312,142
	250,025	453,501

Deferred income

Deferred income at 1 September 2014		248,630
Resources deferred during the year		67,680
Amounts released from previous years		(248,630)
		67,680

During the year ended 31 August 2015 the majority of deferred income related to universal free school meals and ski trip income.

16. CREDITORS:
Amounts falling due after more than one year

	2015	2014
	£	£
Other loans	28,863	-
	28,863	-
Creditors include amounts not wholly repayable within 5 years as follows:		
	2015	2014
	£	£
Repayable by instalments	3,207	-
	3,207	-

The amount provided for in other loans is a Salix loan provided to the Trust by the Department for Education. This is repayable over five years.

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

17. STATEMENT OF FUNDS

	Brought forward £	Incoming resources £	Resources expended £	Transfers in/out £	Gains/ (losses) £	Carried forward £
Unrestricted funds						
General funds	(8,936)	345,307	(255,842)	-	-	80,529
Restricted funds						
General annual grant (GAG)	-	3,072,934	(3,002,014)	(17,868)	-	53,052
Pupil premium	-	161,698	(161,698)	-	-	-
SEN funding	-	180,636	(180,636)	-	-	-
Other government grants	-	110,710	(110,710)	-	-	-
Other restricted funds	27,302	-	(27,302)	-	-	-
Trips donations	-	115,174	(115,174)	-	-	-
Early years funding	-	182,366	(182,366)	-	-	-
Pension reserve	(732,000)	-	(44,000)	-	(57,000)	(833,000)
	<u>(704,698)</u>	<u>3,823,518</u>	<u>(3,823,900)</u>	<u>(17,868)</u>	<u>(57,000)</u>	<u>(779,948)</u>
Restricted fixed asset funds						
Restricted fixed asset funds	7,527,464	-	(195,375)	17,868	-	7,349,957
DFC	-	14,647	(14,647)	-	-	-
CIF	-	449,792	(23,507)	-	-	426,285
	<u>7,527,464</u>	<u>464,439</u>	<u>(233,529)</u>	<u>17,868</u>	<u>-</u>	<u>7,776,242</u>
Total restricted funds	<u>6,822,766</u>	<u>4,287,957</u>	<u>(4,057,429)</u>	<u>-</u>	<u>(57,000)</u>	<u>6,996,294</u>
Total of funds	<u><u>6,813,830</u></u>	<u><u>4,633,264</u></u>	<u><u>(4,313,271)</u></u>	<u><u>-</u></u>	<u><u>(57,000)</u></u>	<u><u>7,076,823</u></u>

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

General Annual Grant (GAG)

This represents funding from the EFA to cover the costs of recurrent expenditure.

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.

Pupil premium

This funding is to be used to raise achievement and improve outcomes for pupils from low income families who are eligible for free school meals.

Special educational needs (SEN)

This represents allocated funding for special educational needs pupils.

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17. STATEMENT OF FUNDS (continued)

Trip donations

This represents contributions made by parents to the running of educational visits for the pupils of the Academy and the associated costs of running the trips.

Other government grants

This represents various small grants from local and national government bodies for the provision of specific services to pupils of the Academy.

Trip donations

This represents contributions made by parents to the running of educational visits for the pupils of the Academy and the associated costs of running the trips.

Pension reserve

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

Restricted fixed assets fund

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

Devolved formula capital (DFC)

The Academy is to use the DFC allocation to maintain and improve its buildings and facilities.

Condition improvement fund (CIF)

This represents a Government grant received for building improvements.

SUMMARY OF FUNDS

	Brought forward £	Incoming resources £	Resources expended £	Transfers in/out £	Gains/ (losses) £	Carried forward £
General funds	(8,936)	345,307	(255,842)	-	-	80,529
Restricted funds	(704,698)	3,823,518	(3,823,900)	(17,868)	(57,000)	(779,948)
Restricted fixed asset funds	7,527,464	464,439	(233,529)	17,868	-	7,776,242
	<u>6,813,830</u>	<u>4,633,264</u>	<u>(4,313,271)</u>	<u>-</u>	<u>(57,000)</u>	<u>7,076,823</u>

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NOTES TO THE FINANCIAL STATEMENTS
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18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	7,349,958	7,349,958	7,527,464
Current assets	359,417	53,052	426,284	838,753	471,867
Creditors due within one year	(250,025)	-	-	(250,025)	(453,501)
Creditors due in more than one year	(28,863)	-	-	(28,863)	-
Provisions for liabilities and charges	-	(833,000)	-	(833,000)	(732,000)
	<u>80,529</u>	<u>(779,948)</u>	<u>7,776,242</u>	<u>7,076,823</u>	<u>6,813,830</u>

19. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources before revaluations	319,993	26,195
Returns on investments and servicing of finance	(2,933)	(409)
Donation of land & buildings	-	(80,000)
Depreciation of tangible fixed assets	195,374	192,517
Capital grants from DfE	-	(79,795)
Decrease/(increase) in debtors	295,125	(229,776)
(Decrease)/increase in creditors	(206,689)	265,120
FRS 17 adjustments	44,000	13,000
Net cash inflow from operations	<u>644,870</u>	<u>106,852</u>

20. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	70,981	662,011	-	732,992
Debt:				
Finance leases	-	-	-	-
Debts due within one year	-	-	(3,213)	(3,213)
Debts falling due after more than one year	-	-	(28,863)	(28,863)
Net funds	<u>70,981</u>	<u>662,011</u>	<u>(32,076)</u>	<u>700,916</u>

21. MEMBER'S 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.

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

22. CAPITAL COMMITMENTS

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

	2015 £	2014 £
Contracted for but not provided in these financial statements in relation to roofing project	310,501	-

23. 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 Bedford Borough 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 £42,225 were payable to the scheme at 31 August 2015 (2014 - 56,733) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The pension costs paid to TPS in the period amounted to £236,274 (2014: £263,619).

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NOTES TO THE FINANCIAL STATEMENTS
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23. PENSION COMMITMENTS (continued)

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £105,000, of which employer's contributions totalled £57,000 and employees' contributions totalled £48,000. The agreed contribution rates for future years are 24.6% for employers and between 5.5% - 12.5% for employees.

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

The amounts recognised in the Balance Sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(2,182,000)	(1,948,000)
Fair value of scheme assets	1,349,000	1,216,000
	<u> </u>	<u> </u>
Net liability	<u>(833,000)</u>	<u>(732,000)</u>

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

	2015 £	2014 £
Current service cost	(89,000)	(190,000)
Interest on obligation	(75,000)	(68,000)
Expected return on scheme assets	69,000	57,000
Gains on curtailments and settlements	(6,000)	-
	<u> </u>	<u> </u>
Total	<u>(101,000)</u>	<u>(201,000)</u>
	<u> </u>	<u> </u>
Actual return on scheme assets	<u>28,000</u>	<u>109,000</u>

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

	2015 £	2014 £
Opening defined benefit obligation	1,948,000	1,377,000
Current service cost	89,000	190,000
Interest cost	75,000	68,000
Contributions by scheme participants	48,000	46,000
Actuarial losses	16,000	281,000
Losses on curtailments	6,000	-
Benefits paid	-	(14,000)
	<u> </u>	<u> </u>
Closing defined benefit obligation	<u>2,182,000</u>	<u>1,948,000</u>

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23. PENSION COMMITMENTS (continued)

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

	2015 £	2014 £
Opening fair value of scheme assets	1,216,000	861,000
Expected return on assets	69,000	57,000
Actuarial losses (gains)	(41,000)	78,000
Contributions by employer	57,000	188,000
Contributions by employees	48,000	46,000
Benefits paid	-	(14,000)
	1,349,000	1,216,000

The cumulative amount of actuarial gains and (losses) recognised in the Statement of Total Recognised Gains and Losses was £(275,000) (2014 - £(218,000)).

The Academy expects to contribute £191,000 to its Defined Benefit Pension Scheme in 2016.

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

	2015	2014
Equities	67.00 %	69.00 %
Bonds	18.00 %	19.00 %
Property	11.00 %	9.00 %
Cash	4.00 %	3.00 %

Bedfordshire Pension Fund

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

	2015	2014
Discount rate for scheme liabilities	3.70 %	3.70 %
Expected return on scheme assets at 31 August	3.70 %	5.40 %
Rate of increase in salaries	3.50 %	3.40 %
Rate of increase for pensions in payment / inflation	2.60 %	2.60 %

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

	2015	2014
Retiring today		
Males	22.4	22.4
Females	24.3	24.3
Retiring in 20 years		
Males	24.4	26.3
Females	26.8	26.8

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23. PENSION COMMITMENTS (continued)

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

Defined benefit pension schemes

	2015 £	2014 £	2013 £	2012 £
Defined benefit obligation	(2,182,000)	(1,948,000)	(1,377,000)	(959,000)
Scheme assets	1,349,000	1,216,000	861,000	546,000
Deficit	<u>(833,000)</u>	<u>(732,000)</u>	<u>(516,000)</u>	<u>(413,000)</u>
Experience adjustments on scheme liabilities	-	-	(23,000)	(12,000)
Experience adjustments on scheme assets	<u>(41,000)</u>	<u>78,000</u>	<u>32,000</u>	<u>(12,000)</u>

24. OPERATING LEASE COMMITMENTS

At 31 August 2015 the Academy had annual commitments under non-cancellable operating leases as follows:

	2015 £	2014 £
Expiry date:		
Within 1 year	1,013	2,398
Between 2 and 5 years	<u>5,726</u>	<u>1,013</u>

25. RELATED PARTY TRANSACTIONS

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

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

There were no related party transactions during the year.