



**REPORT OF THE TRUSTEES AND FINANCIAL  
STATEMENTS FOR THE YEAR ENDING 31  
AUGUST 2016 FOR  
BOURNEMOUTH PRIMARY MAT**

**Company Registration Number: 09754024 (England and Wales)**

Carter & Coley Limited  
Chartered Accountants and Statutory Auditor  
3 Durrant Road  
Bournemouth  
Dorset  
BH2 6NE

**BOURNEMOUTH PRIMARY MAT**  
**CONTENTS OF THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

---

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 10
Governance Statement	11 to 14
Statement on Regularity, Propriety and Compliance	15
Statement of Trustees Responsibilities	16
Report of the Independent Auditors	17 to 18
Independent Accountant's Report on Regularity	19 to 20
Statement of Financial Activities	21
Balance Sheet	22 to 23
Cash Flow Statement	24
Notes to the Cash Flow Statement	25
Notes to the Financial Statements	26 to 44

**BOURNEMOUTH PRIMARY MAT**  
**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

<b>MEMBERS</b>	Councillor Cheryl Johnson Mr Barras Stone Dr Jane Ewbank Mrs Patricia Whitehead (until 3 December 2015) Mr Steven Laird (until 31 October 2016) Mrs Jacqueline Hardy (Chair of the Board) (from 11 October 2016)
<b>TRUSTEES</b>	Mrs Jacqueline Hardy (Chair of the Board) (from 11 October 2016) Mr Steven Laird (until 31 October 2016) Mr Peter McNutt (from 1 September 2015) Dr Vicky Lewis (until 31 August 2016) Mrs Nicola Friend (until 13 September 2016) Mrs Laura Jenkins (until 8 January 2016) Mr Jon Jenkins (until 18 January 2016) Mrs Anna Sketchley (Executive Head Teacher) Mrs Teresa Beckingham (from 11 October 2016) Mr Mike Duff (from 11 October 2016) Mr Rob Webber (from 11 October 2016) Miss Emma Church (from 25 May 2016) Dr Jeff Bray (from 14 July 2015)
<b>SENIOR LEADERSHIP TEAM</b>	Mrs Anna Sketchley (Executive Head Teacher) A Jones (Head Teacher – Hill View Primary) J Green (Head Teacher – Malmesbury Park Primary) Mrs Helen Clarke (Finance Director)
<b>COMPANY SECRETARY</b>	Blake Morgan New Kings Court Chandlers Ford Eastleigh SO53 3LG
<b>REGISTERED OFFICE</b>	Hill View Primary School Hill View Road Ensbury Park Bournemouth BH10 5BD
<b>REGISTERED COMPANY NUMBER</b>	09754024 (England and Wales)
<b>AUDITORS</b>	Carter & Coley Limited Chartered Accountants and Statutory Auditor 3 Durrant Road Bournemouth BH2 6NE
<b>BANKERS</b>	Lloyds Banking Group plc 45-47 Old Christchurch Road Bournemouth BH1 1ED
<b>SOLICITORS</b>	Browne Jackson Mowbray House Castle Meadow Road Nottingham NG2 1BJ

**BOURNEMOUTH PRIMARY MAT**  
**REPORT OF THE TRUSTEES**  
**FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

---

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the period 28 August 2015 to 31 August 2016. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) and the Academies Accounts Direction issued by the Education Funding Agency.

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period ending 31 August 2016. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Trust operates two primary academies in Bournemouth, Hill View Primary School and Malmesbury Park Primary School. These academies have a combined pupil capacity of 1353 and had a roll of 1332 in the school census on 21 January 2016.

**INCORPORATION**

The charitable company was incorporated on 28 August 2015.

**BOURNEMOUTH PRIMARY MAT**  
**REPORT OF THE TRUSTEES**  
**FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

---

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

**Our vision**

As a Trust our emphasis is on achieving excellence. We do this by harnessing the diverse strengths of our academies in support of a single vision. This is underpinned by a shared philosophy and principles, recognising that each academy has ethos and learning values relevant to their unique context. To help us fulfil our vision we have common goals and an agreed strategy.

Our vision is that, through excellent educational provision, every child will:

- Enjoy rich, meaningful and relevant learning experiences
- Receive motivational teaching and irresistible learning opportunities that inspire and empower them
- Experience an inclusive, supportive and harmonious ethos in academies that have a tangible sense of purpose and ambition

**Our Goals** as a Trust are:

- To create, through our academies, compelling learning opportunities, high standards of learning and excellent educational outcomes for all children
- To ensure that the unique character, ethos and talents of each academy are recognised and supported, with strengths being effectively harnessed so that the Trust as a whole is greater than the sum of its parts
- To develop the capacity and infrastructure to raise academic standards in each academy, fostering high aspirations amongst children and staff, and building and sustaining a widely recognised reputation for educational excellence
- To offer a stimulating working environment - for leaders, teachers and support staff - that rewards excellent performance, challenges underachievement, supports professional development, creates exceptional teams, encourages innovation and improvement, pushes boundaries, develops best practice, and provides opportunities to contribute to transformational change
- To foster a culture of efficiency and to use resources effectively, achieving economies of scale across the Trust where possible and enabling academy leaders to focus on teaching and learning
- To ensure the Trust reaches out to wider communities, working collaboratively with others to meet local needs and engaging across the education sector to learn from others and share our own expertise

**Our guiding principles**, which underpin the way we work with one another across the Trust, can be summed up as:

- Trust - we believe in a culture of mutual respect
- Ambition - we aim high and push boundaries in all we do
- Opportunity - we enrich the prospects of all in our community
- Inclusivity - we celebrate diversity and respect difference
- Teamwork - we collaborate purposefully and share expertise
- Self-knowledge - we embrace new learning and challenge ourselves to do better

**Our Ambitions** for Bournemouth Primary Multi Academy Trust

- All schools are at least 'good' schools and aspire to be 'outstanding'.
- Leadership and Management is at least good and is aspirational with the capacity to sustain improvement.

**BOURNEMOUTH PRIMARY MAT**  
**REPORT OF THE TRUSTEES**  
**FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

---

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

- Teaching is reflective, innovative and dynamic leading to it being at least good with a significant proportion that is outstanding. This will result in better than expected outcomes for children's learning.
- The Early Years is at least 'good' and aspires to be outstanding in all aspects, providing an exciting and engaging start to school life for all children.
- The percentage of children achieving the expected or higher standards will be in line with or better than national expectations. All schools are to be above the national floor target for children's progress.
- Attendance is as good as it can possibly be.
- Behaviour is at least good and makes a significant contribution to children's successful progress.
- All children will be well equipped personally and socially with the life skills they need to make the best possible progress in the next stage of their education.
- Safeguarding is no less than outstanding.
- Exclusions are as low as possible.

**Public benefit**

The Academy Trust trustees confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers of duties.

**BOURNEMOUTH PRIMARY MAT**  
**REPORT OF THE TRUSTEES**  
**FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

---

**STRATEGIC REPORT**

**Achievement and performance**

*Context*

The two schools that currently form the MAT are different in context. A similar feature is their size as they are both very large primary schools and sit above the eightieth percentile.

In one of the schools the percentages of pupils eligible for free school meals, those of ethnic minority and with English as an additional language are all below the national average. This school also has a very stable population. The other school, in contrast, has an average percentage of pupils eligible for free school meals, but a high percentage of pupils of ethnic minority and English as an additional language. This school has a very high mobility factor. Both schools fall into the band of average for the number of pupils with special educational need although percentages are higher in one school than the other. One school has two special resources on site with high needs funding, namely a 'Small Talk' resource for pre-school children experiencing communication difficulties and a resource for pupils with autism. Places are for pupils across the local authority. This school also has a nursery belonging to the school.

Ofsted inspections for both schools have taken place within the last three years. Both schools have been judged as 'good'. Academic standards have been rising although in 2016 standards in some subjects were affected by higher national expectations.

Both schools offer a broad, balanced and relevant curriculum that provides exciting and rich learning experiences for pupils. Both schools have a high emphasis on pupils' personal development. Pupils for whom English is an additional language and those who are disadvantaged or who are disabled or have special educational needs are well provided for and most make good progress from their starting points.

Performance indicators for both schools are shown here separately because of the differing contexts. Across the MAT, despite some dips, performance is good and both schools have the capacity to improve further.

**Attainment.**

The Early Years profile for both schools shows an increase in GLD on the previous year and in both cases is above the national average.

**Standards at KS1 for both schools**

**Year 2 cohorts** - figures in brackets are national comparisons

	Reading	Writing	Mathematics	RWM
EXS	71%(74%)	51%(65%)	65%(73%)	45%(60%)
GDS	18%(23%)	15%(13%)	13%(18%)	8%(9%)
EXS	60%(74%)	54%(65%)	47%(73%)	5%(60%)
GDS	5%(23%)	5%(13%)	5%(18%)	0%(9%)

Overall standards were lower than the national average in Year 2 in 2016. This was disappointing but the standard expected nationally was significantly higher than previously and both schools demonstrated that they have begun to close the gap. There is a robust focus again this year on improving reading, writing and mathematics at Key Stage 1 and also to increase the number of pupils working at greater depth.

**BOURNEMOUTH PRIMARY MAT**  
**REPORT OF THE TRUSTEES**  
**FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

---

**STRATEGIC REPORT**

**Achievement and performance**

*Context*

**Standards at key stage 2 for both schools**

Year 6 cohort - figures in brackets are national comparison

	Reading	Writing	GPS	Mathematics	RWM
EXS	71%(66%)	66%(74%)	84%(72%)	67%(70%)	51%(53%)
GDS	25%(19%)	3%(15%)	36%(23%)	12%(17%)	2%(5%)
EXS	65%(66%)	76%(74%)	69%(72%)	69%(70%)	56%(53%)
GDS	19%(19%)	16%(15%)	26%(23%)	24%(17%)	10%(5%)

In almost all of the core subjects attainment was close to the national average and in some cases exceeded it. This is pleasing taking into consideration the increase in expectation in 2016.

**Progress at Key Stage 2 - Schools achieve sufficient progress scores if reading and mathematics is less than -5 and writing is less than -7.**

Reading	1.7	-1.3
Writing	1.1	-5.7
Maths	1.7	-3.4

There was some disparity in progress as can be seen from the above data. However, although the progress in one school was better than in the other it was sufficient.

Both schools fully understand that there remain key issues in ensuring that pupils make good progress and that this is the unequivocal expectation of the MAT. Schools are expected to meet or exceed national expectations in terms of attainment and close gaps between different groups of pupils. The board has full confidence in the schools' identification of priorities and their plans to address areas of under achievement. The continued raising of achievement in all three core subjects is being rigorously addressed across all year groups by both senior leadership teams. Schools are working towards achieving at least 85% of pupils in every class achieving the expected standard or at greater depth.

**Other data.**

Attendance - at the time of writing this report attendance is 97.6% and 96% in both schools respectively. This is at least in line with national averages and is well above in one school. Both schools have rigorous procedures in place to ensure that pupils attend regularly.

**Exclusions** - are rare.

**Financial review**

*Principal funding sources*

Most of the Academy Trust's income is obtained from the DfE via the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during period ending 31 August 2016 and the associated expenditure are shown as Restricted funds in the Statement of Financial Activities.

*Investment policy and objectives*

The Articles of Association list the powers that the Academy Trust has in regards to investments. This is scheduled for regular review by the Finance and Resources Committee.



**BOURNEMOUTH PRIMARY MAT**  
**REPORT OF THE TRUSTEES**  
**FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

---

**STRATEGIC REPORT**

**Financial review**

*Reserves policy*

The trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The trustees have determined that under normal circumstances the appropriate level of free reserves should be equivalent that which is needed to meet planned expenditure for capital projects and work which is for the benefit of students, plus sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £592,752.

*Going concern*

After making appropriate enquiries, the board of trustees has a reasonable expectation that 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 accounting policies.

**Principal risks and uncertainties**

As indicated within the Risk Management statement, major risks that the academy is exposed to have been identified by the trustees, senior leaders and others. These are regularly reviewed through the Risk Management Register and systems and procedures have been established through the Audit and Risk Committee to regularly manage the register. Currently the principle risks are in the following areas:

- Strategic and Reputational
- Operational
- Organisational
- Compliance
- Financial
- External

We use a point scoring system and place greater emphasis on those areas identified as a higher risk.

**BOURNEMOUTH PRIMARY MAT**  
**REPORT OF THE TRUSTEES**  
**FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

---

**STRATEGIC REPORT**

**Future plans**

During its first period the Trust suffered significantly from a reducing and dysfunctional board of trustees. Details and explanations of this are in the section concerning governance. Since September the new trustees have worked hard with the Executive Head Teacher to address deficiencies. A detailed compliance plan is in place with most issues having been addressed or will be completed by December 2016. Other operational issues are being addressed such as succession planning and a streamlined budget setting process. The board is leading on the formulation of a five year strategic plan.

From the most recent working party the following five areas for the strategic plan were agreed:

- Academic Excellence
- MAT identity, governance and engagement
- Value for Money
- Growth
- School and local community engagement.

In support of the board we now have fully functioning committees for Standards (which has functioned well from the beginning of the MAT) and Finance and Resources. The board has taken the decision to create an independent Audit & Risk Committee to take oversight of risk management and the effectiveness of internal controls. This will be effective from December 2016.

One local stand alone outstanding academy has already asked to begin negotiations to join us. This would put us in a strong position with regard to delivering excellence to others, affording us the ability to incorporate into our growth plan extending the MAT to schools who require improvement. While the strategic plan is being developed there is close scrutiny of Standards and Finance through the two committees that report to the full board.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Charity constitution**

Bournemouth Primary MAT 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 Trust.

The trustees of Bournemouth Primary MAT are also the directors of the charitable company for the purposes of company law and the two terms are used synonymously throughout the financial statements.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 2.

**Members' liability**

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while 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 Trust has purchased insurance, through the RPA, to protect trustees and officers from claims arising from any actual or alleged breach of duty, breach of trust, neglect, error, misstatement, omission, breach of warranty of authority, libel and slander or any other act committed by any Indemnified Person solely whilst on academy business. The limit per loss and in the Membership Year aggregate is £10,000,000

**BOURNEMOUTH PRIMARY MAT**  
**REPORT OF THE TRUSTEES**  
**FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

---

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Recruitment and appointment of new trustees**

The Articles of Association allow for:

5 members one of whom may be the chair of the trustees

A minimum of two members will appoint the trustees

The number of trustees is subject to a number not less than three

The number of trustees is not subject to any maximum. Six shall be appointed under article 50. Others may be appointed under article 51

There will be a minimum of two parent trustees

Each local governing body will be represented through a trustee from that body.

In addition to the board of trustees and members, academy schools each have their own local governing bodies. The process for making local governor appointments and the constitution of their boards is delegated to the local governing body of each school. The board of trustees ratifies these appointments.

Where vacancies for trustees and members arise an appointment process is immediately initiated depending on type. Vacancies are managed by the Executive Head Teacher and two members. Due to several vacancies occurring throughout spring and summer 2016, it was agreed to use Academy Ambassadors and Inspiring the Future to aid selection. This was to ensure commitment and high quality appointments for the future. An invitation was also extended to the local community through both schools.

As a result several new appointments have been made and the board of trustees is now strong and effective.

**Organisational structure**

BPMAT has three main committees: Finance and Resources Committee, Standards Committee and Audit and Risk Committee. All committees report directly to the full board of trustees. The MAT will call on trustees on an ad hoc basis should any disciplinary or appeals matters arise. Each committee and the board itself have Terms of Reference which are reviewed annually and contain details of composition, responsibilities and delegated authorities.

The MAT leadership team comprises the Executive Head Teacher, the two head teachers of the two academies currently belonging to the MAT, the finance director and operations manager. Their roles and responsibilities have been reviewed recently for the first time and will be reviewed annually in future

**Decision making**

Trustees are currently supported by membership of The Key and NGA. A further comprehensive induction and mentoring process is being developed along with a handbook for trustees and members. The new chair is currently being supported by an experienced trustee.

**Key management remuneration**

The Executive Head Teacher is appointed by the trustees who are responsible for the pay and performance management of this employee. Objectives are set annually for the Executive Head Teacher. An interim review is held during the academic year and an annual review of performance and pay is in place.

**BOURNEMOUTH PRIMARY MAT**  
**REPORT OF THE TRUSTEES**  
**FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

---

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Related parties**

BPMAT is not a part of a wider network such as a soft federation, whereby the relationship involved would have an impact on the academy's operational policies. Its schools do occasionally work in partnership with other local schools for the purposes of curriculum development but this does not have an influence over any operational policies. The MAT has not established any relationships with related parties and any other charities/organisations with which it co-operates in the pursuit of charitable activities such that they have an influence over operational policies. Both schools do have 'Parent and Friends of the School' associations but these groups do not have access to public funds and the MAT does not contribute any funds to these groups from its public grant.

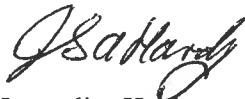
**Risk management**

A risk register is in place. This identifies major risks to which the MAT is exposed. This has been reviewed and systems and procedures are being established to manage such risks. Internal control systems and the exposure to risks are considered on a regular basis by the Audit and Risk Committee. Categories listed under the Risk Register are reviewed on an on-going basis by the Audit and Risk Committee. More detail regarding risk management occurs under principle risks and uncertainties.

**AUDITORS**

The auditors, Carter & Coley Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 5 December 2016 and signed on the board's behalf by:



Mrs Jacqueline Hardy  
Trustee

**BOURNEMOUTH PRIMARY MAT**  
**GOVERNANCE STATEMENT**  
**FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

---

**Scope of Responsibility**

As trustees, we acknowledge we have overall responsibility for ensuring that Bournemouth Primary MAT 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 of loss.

The board of the trustees has delegated the day-to-day responsibility to the Executive Head Teacher, 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 Bournemouth Primary MAT and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

**Governance**

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

Trustee	Meetings attended	Out of a possible
Mr S Laird (chairman)	8	9
Mr P McNutt	9	9
Dr V Lewis (resigned 31/08/2016)	9	9
Mrs N Friend	3	9
Mrs L Jenkins (resigned 08/01/2016)	2	2
Mr J Jenkins (resigned 18/01/2016)	3	3
Mrs A Sketchley (Executive Head Teacher accounting officer)	9	9

As can be seen from the above record there were a significant number of resignations from the board of trustees during the course of BPMAT's first year. The previous chair, Mr S Laird, and Mrs N Friend have also since resigned. The resignations were mainly for work related reasons or illness. In one case the trustee had made it known that they would only serve for one year. The board took the decision in February to ask the Executive Head Teacher, previously ex officio, to become a trustee. The work of the Finance and Resources Committee was incorporated into the main board agenda. The two head teachers and their respective chairs of local governing bodies were also co-opted onto the board for the remainder of the academic year. During this time the Executive Head Teacher worked relentlessly to establish a new board, putting together a recruitment brochure and enlisting the help of Academy Ambassadors, Inspiring the Future and using local canvassing.

This drive was very successful. The board now has several new trustees with considerable business experience in HR, finance, IT and also experience of being a trustee for other very large concerns such as housing trusts. The new chair has previous significant chair experience and also had a career in teaching. The new trustees have seized the initiative and are working very well with the Executive Head Teacher to ensure that the trust is fully compliant. The Trust also has an honorary adviser who has extensive previous experience of another trust. The first year of the Trust was challenging but the board is now healthy and establishing itself strongly. The Executive Head Teacher has been able to return to being an ex officio member of the board and the trustees have already met to secure a new plan for strategic development and growth. The board has also been keen to establish a succession plan for trustees and to this end has charged the Executive Head Teacher with continuing to recruit two further trustees, especially one with a strong educational background as our one trustee with considerable educational knowledge will resign at the end of this academic year.

**BOURNEMOUTH PRIMARY MAT**  
**GOVERNANCE STATEMENT**  
**FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

---

One of the most important developments since September has been the establishment of an Audit and Risk Committee whose particular job it will be to review monthly the risks to the MAT through the new Risk Management Register. The Terms of Reference for this committee also include the annual review of governance.

The board has used the honorary external advisor to conduct a review of the MAT's operation with a specific focus on regulatory compliance and good governance. This has resulted in a compliance action plan. The majority of actions are now completed and the remainder will be completed by December 2016. In addition the NGA 21 questions to review governance has been used to establish further priorities and a future annual review system for governance. Governance has been significantly strengthened by the all the measures taken by the Executive Head Teacher to establish a skilled board of trustees and also strengthened by the new trustees themselves. They have rapidly applied themselves to the tasks of securing compliance and improvement of governance.

#### **Finance and Resources Committee**

This committee is a sub committee of the main board. Its terms of reference and therefore main purposes are to discuss finance, personnel issues, and all matters relating to the buildings and site of the Schools, and in particular

- To annually review and update all statutory finance, personnel and health & safety policies and procedures.
- To annually receive the audited MAT Fund together with the Executive Head Teacher and to prepare the MAT budget for approval by the board of trustees at the start of the financial year.
- To receive termly reports from the Executive Head Teacher, approve action when expenditure is at a variance with the budget and inform the board of trustees if there is any possibility of overspending.
- To approve all individual virements above £10,000.
- Expenditure above £25,000 per project or item can only be approved by the Resources Committee.
- To review and approve the Scheme of Delegation annually.
- To be responsible for the completion of the self-Assessment form (or alternative) and related documents including the review of the Statement of Internal Control.
- To receive an annual appraisal relating to the buildings and sites of the academies.
- To receive an annual report on the impact of the Performance Management Policy linked to
- The Pay Policy

#### **Review of Value for Money**

As accounting officer the Executive Head Teacher 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 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 appropriate. The accounting officer for the Academy Trust has delivered improved value for money during the year by:

- Reducing the cost of administrative time by using the expertise of the existing business managers in each school to fulfil the roles of Finance Director and Operations Manager for the MAT in addition to their roles within the schools. Each now works 6/10 of the week for the schools as business managers and 4/10 in roles required by the MAT.
- As from February 2017 the MAT will be employing a Learning Support Adviser across the schools to support the work of the special needs coordinators. This was originally paid for by each separate school through a service level agreement with the local authority. In sharing this resource we have been able to safeguard the quality of advice and reduce costs by making our own appointment.

**BOURNEMOUTH PRIMARY MAT**  
**GOVERNANCE STATEMENT**  
**FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

---

**Review of Value for Money**

- Teachers are collaborating, especially in terms of the senior leadership team and special needs co-ordinators. Staff are being offered opportunities to work across the schools, thereby sharing expertise and avoiding the use of external advisors.

**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 on-going process designed to identify and prioritise the risks to the achievement of charitable company 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 Bournemouth Primary MAT for the period 28 August 2015 to 31 August 2016 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 charitable company 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 on-going process for identifying, evaluating and managing the charitable company's significant risks that has been in place for the period 28 August 2015 to 31 August 2016 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 Trust'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 finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the trustees have appointed Carter & Coley Limited, the external auditor, to perform additional checks.

Carter & Coley's role includes performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations

On a termly basis, Carter & Coley reports to the board of trustees, through Finance & Resources Committee (in future the Audit and Risk Committee) on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

**BOURNEMOUTH PRIMARY MAT**  
**GOVERNANCE STATEMENT**  
**FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

---

**The Risk and Control Framework**

Internal audit reviews have been carried out as planned. There were no material issues arising as a result of this work.

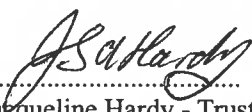
**Review of Effectiveness**

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


- the work of the external auditor
- the work of the executive managers within the Academy Trust who have the 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 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 5 December 2016 and signed on its behalf by:



.....  
Mrs Jacqueline Hardy - Trustee



.....  
Mrs Anna Sketchley - Accounting Officer



**BOURNEMOUTH PRIMARY MAT**


**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE  
FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

---

As accounting officer of Bournemouth Primary MAT I have considered my responsibility to notify the charitable company 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 charitable company 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 2015.

I confirm that I and the charitable company board of trustees are able to identify any material irregular or improper use of funds by the charitable company, or material non-compliance with the terms and conditions of funding under the charitable company's funding agreement and the Academies Financial Handbook 2015.

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.



Mrs Anna Sketchley - Accounting Officer

Date: 5 December 2016

**BOURNEMOUTH PRIMARY MAT**

**STATEMENT OF TRUSTEES RESPONSIBILITIES  
FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

---

The trustees (who act as governors of Bournemouth Primary MAT and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Trustees 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The 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 to 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 the EFA/DfE have been applied for the purposes intended.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

Approved by order of the board of trustees on 5 December 2016 and signed on its behalf by:



.....  
Mrs Jacqueline Hardy  
Trustee

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BOURNEMOUTH PRIMARY MAT**

---

We have audited the financial statements of Bournemouth Primary MAT for the period ended 31 August 2016 on pages twenty one to forty four. 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 Accounts Direction 2015 to 2016 issued by the Education Funding Agency (EFA).

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

### **Respective responsibilities of trustees and auditors**

As explained more fully in the Statement of Trustees' Responsibilities set out on page sixteen, the trustees (who are also the directors of the charitable company 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 charitable company'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 Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2015 to 2016.

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

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.


**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
BOURNEMOUTH PRIMARY MAT**

---

**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.



Andrew A Clark FCA (Senior Statutory Auditor)  
for and on behalf of Carter & Coley Limited  
Chartered Accountants and Statutory Auditor  
3 Durrant Road  
Bournemouth  
Dorset  
BH2 6NE

Date: 5 December 2016

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BOURNEMOUTH PRIMARY MAT AND THE EDUCATION FUNDING AGENCY

---

In accordance with the terms of our engagement and further to the requirements of the Education Funding Agency (EFA), as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Bournemouth Primary MAT during the period 28 August 2015 to 31 August 2016 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 Bournemouth Primary MAT and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Bournemouth Primary MAT and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Bournemouth Primary MAT and the EFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Bournemouth Primary MAT's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Bournemouth Primary MAT's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2015, 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 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 28 August 2015 to 31 August 2016 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 2015 to 2016 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO  
BOURNEMOUTH PRIMARY MAT AND THE EDUCATION FUNDING AGENCY**

---

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 28 August 2015 to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Carter & Coley  
3 Durrant Road  
Bournemouth  
Dorset  
BH2 6NE

Date: 5 December 2016

**BOURNEMOUTH PRIMARY MAT**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

	Notes	Unrestricted fund £	Restricted funds £	Restricted fixed asset fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Transfer from Local Authority on conversion	19	639,151	(1,531,000)	18,270,000	17,378,151
<b>Charitable activities</b>					
Funding for the academy's educational operations	2	227,502	4,841,171	-	5,068,673
Other trading activities	3	8,469	-	-	8,469
Investment income	4	457	-	-	457
<b>Total</b>		<b>875,579</b>	<b>3,310,171</b>	<b>18,270,000</b>	<b>22,455,750</b>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
Academy's educational operations		<u>189,248</u>	<u>5,075,058</u>	<u>245,669</u>	<u>5,509,975</u>
<b>NET INCOME/(EXPENDITURE)</b>		<b>686,331</b>	<b>(1,764,887)</b>	<b>18,024,331</b>	<b>16,945,775</b>
<b>Transfers between funds</b>	16	<u>(162,999)</u>	<u>132,307</u>	<u>30,692</u>	<u>-</u>
<b>Net movement in funds</b>		<b>523,332</b>	<b>(1,632,580)</b>	<b>18,055,023</b>	<b>16,945,775</b>
<b>Other recognised gains/(losses)</b>					
Actuarial gains/losses on defined benefit schemes		<u>-</u>	<u>(1,296,000)</u>	<u>-</u>	<u>(1,296,000)</u>
<b>Net movement in funds</b>		<b>523,332</b>	<b>(2,928,580)</b>	<b>18,055,023</b>	<b>15,649,775</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><b>523,332</b></u>	<u><b>(2,928,580)</b></u>	<u><b>18,055,023</b></u>	<u><b>15,649,775</b></u>

All of the charitable company's activities derive from acquisitions in the current period.

The notes form part of these financial statements

**BOURNEMOUTH PRIMARY MAT**

**BALANCE SHEET  
AT 31 AUGUST 2016**

	Not es	Unrestricted fund £	Restricted funds £	Restricted fixed asset fund £	Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	11	-	-	18,055,023	18,055,023
<b>CURRENT ASSETS</b>					
Debtors	12	-	151,974	-	151,974
Cash at bank		<u>529,922</u>	<u>359,516</u>	-	<u>889,438</u>
		529,922	511,490	-	1,041,412
<b>CREDITORS</b>					
Amounts falling due within one year	13	<u>(6,590)</u>	<u>(442,070)</u>	-	<u>(448,660)</u>
<b>NET CURRENT ASSETS</b>		<u>523,332</u>	<u>69,420</u>	-	<u>592,752</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		523,332	69,420	18,055,023	18,647,775
<b>PENSION LIABILITY</b>	17	-	<u>(2,998,000)</u>	-	<u>(2,998,000)</u>
<b>NET ASSETS</b>		<u>523,332</u>	<u>(2,928,580)</u>	<u>18,055,023</u>	<u>15,649,775</u>
<b>FUNDS</b>	16				
<b>Unrestricted funds:</b>					
General fund					523,332
<b>Restricted funds:</b>					
Restricted general funds					69,420
Pension funds					<u>(2,998,000)</u>
Restricted fixed asset funds					<u>18,055,023</u>
<b>TOTAL FUNDS</b>					<u>15,649,775</u>

The notes form part of these financial statements



**BOURNEMOUTH PRIMARY MAT**  
**BALANCE SHEET - CONTINUED**  
**AT 31 AUGUST 2016**

---

The financial statements were approved by the board of trustees on 5 December 2016 and were signed on its behalf by:



.....  
Mrs Jacqueline Hardy  
Trustee

The notes form part of these financial statements

**BOURNEMOUTH PRIMARY MAT**  
**CASH FLOW STATEMENT**  
**FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

---

	Notes	£
<b>Cash flows from operating activities:</b>		
Cash generated from operations	1	<u>19,189,673</u>
<b>Net cash provided by (used in) operating activities</b>		<u>19,189,673</u>
<b>Cash flows from investing activities:</b>		
Purchase of tangible fixed assets		<u>(18,300,692)</u>
Interest received		<u>457</u>
<b>Net cash provided by (used in) investing activities</b>		<u>(18,300,235)</u>
<hr/>		
<b>Change in cash and cash equivalents in the reporting period</b>		889,438
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>-</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>889,438</u></u>

The notes form part of these financial statements

**BOURNEMOUTH PRIMARY MAT**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

---

**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	£
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	<b>16,945,775</b>
<b>Adjustments for:</b>	
Depreciation	245,669
Transfer from Local Authority on conversion	1,531,000
Interest received	(457)
Increase in debtors	(151,974)
Increase in creditors	448,660
Difference between pension charge and cash contributions	<u>171,000</u>
<b>Net cash provided by (used in) operating activities</b>	<b><u>19,189,673</u></b>

## BOURNEMOUTH PRIMARY MAT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016

---

#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2015 to 2016 issued by the EFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Bournemouth Primary MAT meets the definition of a public benefit entity under FRS 102.

##### **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 company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

##### **Grants**

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 meeting any performance-related conditions there is no unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised when there is entitlement 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**

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

##### **Other income**

Other income including the hire of facilities, is recognised in the period it is receivable and to the extent the charity has provided the goods or services.

## BOURNEMOUTH PRIMARY MAT

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016

---

#### 1. ACCOUNTING POLICIES - continued

##### **Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the charity's accounting policies.

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

##### **Charitable activities**

Costs of charitable activities are incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

## BOURNEMOUTH PRIMARY MAT

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016

---

#### 1. ACCOUNTING POLICIES - continued

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold	- see below
Fixtures and fittings	- 10% on cost
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on cost

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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.

Land and buildings occupied under a standard local authority 125 year lease are capitalised. They have been included in the financial statements based upon professional valuations undertaken at the origin of the lease. The land element is being depreciated over 125 year. The buildings are being depreciated based upon an estimate of their economic useful life over a period of 50 years.

##### **Taxation**

The Academy Trust 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 Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 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.

##### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

## BOURNEMOUTH PRIMARY MAT

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016

---

#### 1. ACCOUNTING POLICIES - continued

##### **Hire purchase and leasing commitments**

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

##### **Pension costs and other post-retirement benefits**

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes.

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 Trust 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 quadrennial valuations using a prospective unit credit method. The TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the Academy Trust 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 credit 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 the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

##### **Liabilities**

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

## BOURNEMOUTH PRIMARY MAT

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016

---

#### 1. ACCOUNTING POLICIES - continued

##### **Critical accounting estimates and areas of judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### **Critical accounting estimates and assumptions**

The Academy Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

#### 2. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	Total funds £
Trips and misc parental cont	108,573	-	108,573
Breakfast club income	24,299	-	24,299
After school club income	76,111	-	76,111
Nursery income	18,519	-	18,519
Grants	-	4,841,171	4,841,171
	<u>227,502</u>	<u>4,841,171</u>	<u>5,068,673</u>



**BOURNEMOUTH PRIMARY MAT**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

**2. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS - continued**

An analysis of grants received is given below:

	Unrestricted funds £	Restricted funds £	Total funds £
<b>DfE/EFA revenue grant</b>			
General Annual Grant(GAG)	-	3,995,580	3,995,580
Other DfE/EFA Grants	-	<u>546,177</u>	<u>546,177</u>
	-	4,541,757	4,541,757
<b>Other government grant</b>			
Local authority grants	-	287,294	287,294
Special educational grants	-	<u>12,120</u>	<u>12,120</u>
	-	<u>299,414</u>	<u>299,414</u>
	-	<u><u>4,841,171</u></u>	<u><u>4,841,171</u></u>

**3. OTHER TRADING ACTIVITIES**

Hire of facilities	£ <u>8,469</u>
--------------------	-------------------

**4. INVESTMENT INCOME**

Deposit account interest	£ <u>457</u>
--------------------------	-----------------

**5. EXPENDITURE**

	Staff costs £	Non-pay expenditure Premises £	Other costs £	Total £
<b>Charitable activities</b>				
<b>Academies educational operations</b>				
Direct costs	3,516,624	-	290,521	3,807,145
Allocated support costs	<u>774,133</u>	<u>537,017</u>	<u>391,680</u>	<u>1,702,830</u>
	<u><u>4,290,757</u></u>	<u><u>537,017</u></u>	<u><u>682,201</u></u>	<u><u>5,509,975</u></u>

**BOURNEMOUTH PRIMARY MAT**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

**5. EXPENDITURE - continued**

Net income/(expenditure) is stated after charging/(crediting):

	£
Auditors' remuneration	6,500
Auditors' remuneration for non audit work	7,000
Depreciation - owned assets	245,669
Hire of plant and machinery	<u>16,942</u>

**6. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds £	Restricted funds £	Total funds £
Direct costs	92,364	3,714,781	3,807,145
Support costs	<u>96,884</u>	<u>1,605,946</u>	<u>1,702,830</u>
	<u>189,248</u>	<u>5,320,727</u>	<u>5,509,975</u>

	Total £
<b>Analysis of support costs</b>	
Support staff costs	774,133
Depreciation	28,339
Technology costs	48,493
Premises costs	537,017
Other support costs	301,348
Governance costs	<u>13,500</u>
<b>Total support costs</b>	<u>1,702,830</u>

**BOURNEMOUTH PRIMARY MAT**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

---

**7. TRUSTEES' REMUNERATION AND BENEFITS**

Principal and staff trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy in respect of their role as trustees. The value of trustees' remuneration (in bands of £5,000) was as follows:

	2016	
	Salary	Pens Cont'n
A Sketchley	£25,001 - £30,000	£0,000 - £5,000

**Trustees' expenses**

During the period ended 31 August 2016, childcare, out of pocket expenses and travel and subsistence costs totalling £816 were reimbursed to four trustees.

## BOURNEMOUTH PRIMARY MAT

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016

#### 8. STAFF COSTS

	£
Wages and salaries	3,394,062
Social security costs	233,613
Other pension costs	<u>663,082</u>
	<u>4,290,757</u>

Included in the above is a non-statutory/non-contractual severance payment of £5,000.

The average number of persons (including senior management team) employed by the charitable company during the period was as follows:

Teaching	79
Administration and Support	<u>160</u>
	<u>239</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:  
£60,001 - £70,000

2

The above employee participated in the Teachers' Pension Scheme. During the period ended 31 August 2016 pension contributions for these staff amounted to £21,856.

#### KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy Trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £219,210.

#### 9. TRUSTEES' AND OFFICERS' INSURANCE

The charitable company has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

**BOURNEMOUTH PRIMARY MAT**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

**10. CENTRAL SERVICES**

The following departments were operated on a centralised basis during the period:

- financial services
- ICT
- health and safety
- legal and HR
- motor vehicle

The costs are allocated directly to the individual schools and no formal recharges are made.

**11. TANGIBLE FIXED ASSETS**

	<b>Long leasehold £</b>	<b>Fixtures and fittings £</b>	<b>Motor vehicles £</b>	<b>Computer equipment £</b>	<b>Totals £</b>
<b>COST</b>					
Additions	<u>18,113,000</u>	<u>106,714</u>	<u>20,000</u>	<u>60,978</u>	<u>18,300,692</u>
 <b>DEPRECIATION</b>					
Charge for year	<u>217,330</u>	<u>9,782</u>	<u>4,583</u>	<u>13,974</u>	<u>245,669</u>
 <b>NET BOOK VALUE</b>					
At 31 August 2016	<u>17,895,670</u>	<u>96,932</u>	<u>15,417</u>	<u>47,004</u>	<u>18,055,023</u>

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

Trade debtors	11,434
VAT	28,217
Prepayments and accrued income	<u>112,323</u>
	<u>151,974</u>

**BOURNEMOUTH PRIMARY MAT**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

---

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	£
Trade creditors	157,799
Social security and other taxes	74,360
Pension	72,361
Other creditors	39
Accruals and deferred income	<u>144,101</u>
	<u>448,660</u>
	2016
Resources deferred in period	101,064
Amounts released from previous years	<u>0</u>
Deferred income as at 31 August 2016	<u>101,064</u>

At the balance sheet date the Academy Trust was holding funds in advance in respect of grants and parental contributions received for the 2016/17 academic year.

**14. OPERATING LEASE COMMITMENTS**

At 31 August 2016 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	<b>Other operating leases £</b>
Expiring: Between one and five years	<u>81,933</u>

**15. MEMBERS' LIABILITY**

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

**BOURNEMOUTH PRIMARY MAT**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

**16. MOVEMENT IN FUNDS**

	Net movement in funds £	Transfers between funds £	At 31/8/16 £
<b>Unrestricted funds</b>			
General fund	686,331	(162,999)	523,332
<b>Restricted funds</b>			
General restricted fund	(62,887)	132,307	69,420
<b>Pension fund</b>	(2,998,000)	-	(2,998,000)
<b>Restricted fixed asset funds</b>			
Transfer on conversion	18,029,066	-	18,029,066
Capital expenditure from GAG	(4,735)	30,692	25,957
	<u>14,963,444</u>	<u>162,999</u>	<u>15,126,443</u>
<b>TOTAL FUNDS</b>	<u>15,649,775</u>	<u>-</u>	<u>15,649,775</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	875,579	(189,248)	-	686,331
<b>Restricted funds</b>				
General restricted fund	3,995,580	(4,058,467)	-	(62,887)
Pupil Premium	328,114	(328,114)	-	-
Other DfE/EFA grants	218,063	(218,063)	-	-
LEA and other grants	299,414	(299,414)	-	-
<b>Pension fund</b>	(1,531,000)	(171,000)	(1,296,000)	(2,998,000)
<b>Restricted fixed assets funds</b>				
Transfer on conversion	18,270,000	(240,934)	-	18,029,066
Capital expenditure from GAG	-	(4,735)	-	(4,735)
	<u>21,580,171</u>	<u>(5,320,727)</u>	<u>(1,296,000)</u>	<u>14,963,444</u>
<b>TOTAL FUNDS</b>	<u>22,455,750</u>	<u>(5,509,975)</u>	<u>(1,296,000)</u>	<u>15,649,775</u>

**BOURNEMOUTH PRIMARY MAT**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

**16. MOVEMENT IN FUNDS - continued**

Under the funding agreements with the Secretary of State, the Academy Trust was not subject to limits on the amount of GAG that it could carry forward at 31 August 2016.

**Analysis of academies by fund balance**

Fund balances at 31 August 2016 were allocated as follows:

Malmesbury Park Primary School	<b>69,420</b>
Hill View Primary School	<u>0</u>
Total	<u><b>69,420</b></u>

**Analysis of academies by cost**

Expenditure incurred by each academy during the period was as follows

	Teaching and education support staff costs	Other support staff costs	Educational supplies	Other costs (excl dep'n)	Total
Malmesbury Park Primary School	1,855,155	297,809	53,156	394,526	2,600,646
Hill View Primary School	1,544,469	226,252	26,287	506,404	2,303,412
Academy Trust	<u>3,399,624</u>	<u>524,061</u>	<u>79,443</u>	<u>900,930</u>	<u>4,904,058</u>

**17. PENSION AND SIMILAR OBLIGATIONS**

**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.



## BOURNEMOUTH PRIMARY MAT

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016

---

#### 17. PENSION AND SIMILAR OBLIGATIONS

##### - continued

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

The employer's pension costs paid to TPS in the period amounted to £358,003

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

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust has set out above the information available on the scheme.

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

##### **Local government pension scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £250,691, of which employer's contributions totalled £189,001 and employees' contributions totalled £61,690. The agreed contribution rates for future years are 17.4 per cent for employers and from 5.5 - 12.5 per cent for employees.

**BOURNEMOUTH PRIMARY MAT**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

---

**17. PENSION AND SIMILAR OBLIGATIONS  
- continued**

The amounts recognised in the balance sheet are as follows:

	<b>Defined benefit pension plans £</b>
Present value of funded obligations	<b>(4,763,000)</b>
Fair value of plan assets	<b><u>1,765,000</u></b>
	<b><u>(2,998,000)</u></b>
Deficit	<b><u>(2,998,000)</u></b>
Liability	<b><u>(2,998,000)</u></b>

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

	<b>Defined benefit pension plans £</b>
Current service cost	<b>307,000</b>
Net interest from net defined benefit asset/liability	<b><u>106,000</u></b>
	<b><u>413,000</u></b>
Actual return on plan assets	<b><u>179,000</u></b>

**BOURNEMOUTH PRIMARY MAT**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

**17. PENSION AND SIMILAR OBLIGATIONS**  
**- continued**

Changes in the present value of the defined benefit obligation are as follows:

	<b>Defined benefit pension plans £</b>
Current service cost	(307,000)
Contributions by scheme participants	(62,000)
Interest cost	(106,000)
Obligation on conversion	(2,866,000)
Actuarial (gains)/losses from changes in financial assumptions	<u>(1,422,000)</u>
	<u><b>(4,763,000)</b></u>

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

	<b>Defined benefit pension plans £</b>
Contributions by employer	190,000
Contributions by scheme participants	62,000
Administration expenses	(1,000)
Assets on conversion	1,335,000
Interest on assets	53,000
Return on plan assets (excluding interest income)	<u>126,000</u>
	<u><b>1,765,000</b></u>

The amounts recognised in other recognised gains and losses are as follows:

	<b>Defined benefit pension plans £</b>
Actuarial (gains)/losses from changes in financial assumptions	(1,422,000)
Return on plan assets (excluding interest income)	<u>126,000</u>
	<u><b>(1,296,000)</b></u>

**BOURNEMOUTH PRIMARY MAT**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

**17. PENSION AND SIMILAR OBLIGATIONS**

**- continued**

The major categories of scheme assets as amounts of total scheme assets are as follows:

	<b>Defined benefit pension plans £</b>
Equities	<b>1,018,000</b>
Gilts	<b>194,000</b>
Bonds	<b>225,000</b>
Alternative Assets	<b>83,000</b>
Property	<b>181,000</b>
Cash	<b>18,000</b>
Infrastructure	<b>45,000</b>
Hedge Funding	<b>1,000</b>
	<b><u>1,765,000</u></b>

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

Discount rate	<b>2.2%</b>
Future salary increases	<b>3.8%</b>
Future pension increases	<b>2.3%</b>
RPI Increases	<b>3.2%</b>
CPI Increases	<b>2.3%</b>
Commutation of benefits to lump sums	<b>50%</b>

The assumed life expectations from age 65 are:

	2016
Retiring Today	
Males	22.9 Years
Females	25.3 Years
Retiring in 20 years	
Males	25.2 Years
Females	27.7 Years

It is further assumed that active members will retire at the pension weighted average tranche retirement age.

The estimated value of employer contributions for the year ended 31 August 2017 is £218,000.

**BOURNEMOUTH PRIMARY MAT**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

---

**17. PENSION AND SIMILAR OBLIGATIONS**

**- continued**

**Sensitivity**

A change of 0.1% in the assumed discount rate would cause the present value of the total obligation to change by approximately £112,000 and the projected service cost by £12,000.

A change of 1 year in the assumed mortality age would cause the present value of the total obligation to change by approximately £122,000 and the projected service cost by £13,000.

A change of 0.1% in the assumed salary increase would cause the present value of the total obligation to change by approximately £23,000 and the projected service cost by less than £1,000.

**18. RELATED PARTY DISCLOSURES**

No related party transactions took place in the current or preceding period.

**19. CONVERSION TO AN ACADEMY**

On 1 October 2015 Hill View Primary School and Malmesbury Park Primary School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Bournemouth Primary MAT from Bournemouth Local Authority for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Donations - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

**BOURNEMOUTH PRIMARY MAT**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE PERIOD 28 AUGUST 2015 TO 31 AUGUST 2016**

**19. CONVERSION TO AN ACADEMY - continued**

	Unrestricted	Restricted General	Restricted Fixed Assets	Total
<b>Hill View Primary School</b>				
Tangible fixed assets				
Leasehold land and buildings	-	-	6,902,000	6,902,000
Other tangible assets			85,000	85,000
Budget surplus on LA funds	197,469	-	-	197,469
<b>Malmesbury Park Primary School</b>				
Tangible fixed assets				
Leasehold land and buildings	-	-	11,211,000	11,211,000
			72,000	72,000
Other tangible assets				
Budget surplus on LA funds	441,682	-	-	441,682
<b>Combined</b>				
LGPS pension deficit		<u>(1,531,000)</u>		<u>(1,531,000)</u>
Net assets (liabilities)	<u>639,151</u>	<u>(1,531,000)</u>	<u>18,270,000</u>	<u>17,378,151</u>