COMPANY REGISTRATION NUMBER:
07148158 (ENGLAND AND WALES)

THE BOURNE ACADEMY
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020

THE BOURNE ACADEMY

FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020

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THE BOURNE ACADEMY

REFERENCE AND ADMINISTRATIVE DETAILS
YEAR ENDED 31 AUGUST 2020

Members	Richard Knott Ben Vessey Barry Coupe Steve LeBas David Levin *on behalf of Canford School*
The Board of Governors *(as at date of signing – see page 3 for full details)*	Mark Avoth Henry Bishop Daniel Butt Darren Cheeseman Caroline Foster Oliver Hunter Nicola Jinks Richard Knott (Chair) Heidi Leavesley David Mastrocola John McGibbon David Neill Jacqueline Page Adrian Smith Ben Vessey Lisa Welch
Executive group *(as at date of signing – see page 4 for full details)*	Principal and Accounting Officer – Mark Avoth Vice Principal – Ashley St John Business Directors – Caroline Gobell & Catherine Turner
Company name	The Bourne Academy
Principal & Registered Office	Hadow Road Bournemouth Dorset, BH10 5HS
Company Registration Number	07148158 (England & Wales)
Independent Auditor	Crowe U.K. LLP Statutory Auditor Carrick House Lypiatt Road Cheltenham, GL50 2QJ
Bankers	Barclays Corporate Wytham Court 11 West Way Oxford, OX2 0JB
Solicitors	Foot Anstey LLP The White Building 1-4 Cumberland Place Southampton SO15 2NP

THE BOURNE ACADEMY

GOVERNORS' REPORT

YEAR ENDED 31 AUGUST 2020

The Governors (Trustees/Directors) have pleasure in presenting their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Trust operates an academy for pupils aged 11 to 18 serving in a catchment area in the Kinson/East Howe districts of Bournemouth. It has a pupil capacity of 900 students in years 7-11 and 150 for years 12 and 13. On the census day of 1 October 2020, there were 842 students on roll in years 7-11 and 125 on roll in years 12 and 13.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution
The Bourne Academy is a company limited by guarantee and an exempt charity with no share capital. It was incorporated on 5 February 2010. The charitable company's memorandum and articles of association (dated 1 February 2010) and the funding agreement (dated 24 February 2010) are the primary governing documents of The Bourne Academy. The Governors of The Bourne Academy are the directors of the charitable company for the purposes of company law and the trustees for the purposes of charity legislation.

Details of the Governors who served during the year are on page 3.

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.

Trustee Indemnities
Subject to the provisions of the Companies Act, each Governor or other officer of the Academy shall be indemnified out of the assets of the Trust against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Trust.

Members
Canford School is the Principal Sponsor of The Bourne Academy, and as such is a member of The Bourne Academy. Other members include the Chair of the Board of Governors and up to three persons appointed by the Principal Sponsor.

Governors
The Bourne Academy currently has sixteen Governors consisting of: ten Sponsor Governors, one Local Authority Governor, one Staff Governor, one Parent Governor, one Community Representative Governor, one Education Partner Governor and the Principal, who is an ex-officio Governor.

Governors are responsible for the statutory and constitutional affairs of the charitable company and the management of the Academy.

Bournemouth and Poole College is The Bourne Academy's Education Partner.

THE BOURNE ACADEMY

GOVERNORS' REPORT

YEAR ENDED 31 AUGUST 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT *(continued)*

Recruitment and Appointment of Governors

The appointment of Governors is carried out in line with the requirements of the Articles of Association and is as follows;

- Sponsor Governors are appointed by the Principal Sponsor,
- Local Authority Governor is appointed by the Local Authority,
- Parent Governor is appointed via secret ballot of the parents of students at the Academy,
- Staff Governor is appointed via secret ballot of the staff of the Academy,
- Community Representative Governor is appointed by Principal Sponsor and approved by resolution of the Governors,
- Education Partner Governor is appointed by the Education Partner

Newly appointed Governors are provided with the Academy's 'Governor induction pack' which includes details of policies, procedures and training appropriate for the role. The Academy's Induction Policy is applied.

The term of office for any Governor shall be four years from the date of their appointment, save that this time limit shall not apply to the Principal. Subject to remaining eligible time to be a particular type of Governor, any Governor may be re-appointed or re-elected.

The Governors who served during the year to the date of this report are as follows;

Mark Avoth (P)	
Henry Bishop (S)	
Tim Brown (S)	(resigned 7 July 2020)
Daniel Butt (S)	
Pauline Calvert (S)	(resigned 7 October 2019)
Darren Cheeseman (C)	(appointed 1 October 2019)
Caroline Foster (LA)	
Oliver Hunter (S)	
Nicola Jinks (S)	
Richard Knott (S) *	
Heidi Leavesley (S)	
David Mastrocola (SG)	
John McGibbon (S)	(appointed 7 July 2020)
David Neill (S) ^	
Jacqueline Page (EP)	
Adrian Smith (S)	(appointed 1 September 2019)
Ben Vessey (S)	
Lisa Welch (PG)	(appointed 14 October 2019)

*	Chair of Board of Governors	^	Vice Chair of Board of Governors
S	Sponsor Governor	LA	Local Authority Governor
PG	Parent Governor	P	Principal
SG	Staff Governor	EP	Educational Partner Governor
C	Community Representative Governor		

THE BOURNE ACADEMY

GOVERNORS' REPORT

YEAR ENDED 31 AUGUST 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT *(continued)*

Organisational Structure
During the year, The Bourne Academy has expanded the management structure, which was established in the implementation phase of the Academy. The new structure consists of three levels; the Governors, the Executive group and the Leadership Team.

The Executive group that served during the year and to the date of this report were as follows;

Mark Avoth	- Principal and Accounting Officer
Ashley St John	- Vice Principal
Caroline Gobell	- Business Director; Marketing and Income Generation
Catherine Turner	- Business Director; Finance, Facilities & IT

The full Governing Body consists of sixteen Governors as detailed on page 1 and 3. Governors are responsible for setting general policy, adopting the Academy's development plan and associated financial plans and approving the annual budget. They monitor the Academy by the use of budgets and making major decisions about the direction of the Academy, including capital expenditure and senior staff appointments.

The Governing Body has established a Finance and Pay Committee, whose membership includes a small number of Governors and the Principal, with participation from the Business Director; Finance, Facilities and IT, to provide scrutiny and ensure probity of all financial matters relevant to the Academy.

The Governing Body has established other committees with responsibility for Risk Management and Appeals. These committees sit as and when required throughout the academic year. A formal link governance structure has been developed over the previous year and officially adopted from 1 September 2019. Governors are linked to different aspects of the Academy's life and will monitor their areas, reporting back to the Governing Body. Further committees will be established as required to assist the link governors with their duties.

During the year the full Governing Body held three meetings (a fourth being cancelled due to the start of lockdown) and the Finance and Pay Committee (a sub-committee of the full Governing Body) held three meetings.

The day-to-day management of the Academy is carried out by the Leadership Team, which is headed by the Executive group, under the Principal's guidance. They implement the policies laid down by the Governors and report back to them. The Academy's Leadership Team was expanded in September 2019 and now includes three Assistant Principals as well as the Executive group

Arrangements for setting pay and remuneration of key management personnel
The Governors have delegated the power of setting pay and remuneration of all key management personnel, except for the Principal, to the Principal and the Finance and Pay Committee. The Academy's pay policy is reviewed annually by Governors, and follows national guidance on teachers' performance management, sets out the parameters for successful performance over the year and the pay progression system. Each November the Committee meets to review the performance management process for all staff and will consider pay recommendations made by the Principal. The Governors follow nationally agreed cost of living pay awards for all staff with pay scales following national agreed structures.

The pay and remuneration of the Principal is reviewed annually by the Chair of Governors with support from the Strategic Improvement Partner and renumeration levels are set by the Governors.

THE BOURNE ACADEMY

GOVERNORS' REPORT

YEAR ENDED 31 AUGUST 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT *(continued)*

Trade union facility time
Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, the Academy publishes the following information;

Relevant Union Officials

Number of employees who were relevant union officials during the period	2
Full-time equivalent employee number	2

Percentage of time spent on facility time

Percentage of Time	Number of employees
0%	1
1% - 50%	1
51-99%	0

Percentage of pay bill spent on facility time

Total cost of facility time	£1,308
Total pay bill	£4,707,163
% of total pay bill spend on facility time	0.00028%

Paid trade union activities

Time spent on trade union activities as a percentage of total paid facility time hours	100%

Related Parties and other Connected Charities and Organisations
Canford School, an independent school, is the Principal Sponsor of The Bourne Academy and as such is recognised as a connected party.

Canford School's vision for the Academy was that it would be at the heart of the community of East Howe, offering local families an excellent education, new opportunities and facilities available to all. Raising pupils' expectations, building their self-confidence and teaching them appropriate skills that allow them to build a successful career and contribute to society were, and remain, central to The Bourne Academy's aims. Canford School promotes the vision for the Academy by forging strong links to the Academy, through the provision of Governors, staff expertise, access to facilities and joint student learning experiences. Canford School provides the opportunity for Year 11 Academy students to apply for a scholarship to the prestigious school's 6th Form. Students have to sit several exams, attend two interviews and achieve excellent GCSE results.

The Academy has also founded a charitable organisation, The Bourne Foundation. The objectives of The Bourne Foundation are to support The Bourne Academy in creating an aspirational community of learning and achievement that will make a positive contribution to its students and the wider community. It aims to fulfil these objectives by fundraising and financially supporting projects within the Academy as its fundraising activities allow. The Bourne Foundation is considered to be a connected charity.

THE BOURNE ACADEMY

GOVERNORS' REPORT

YEAR ENDED 31 AUGUST 2020

OBJECTIVES AND ACTIVITIES

Objects, Aims and Public Benefit
The Governors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the objectives and aims and in planning activities for the year. The Governors consider that the Academy's aims are demonstrably to the benefit of the public.

The key public benefit delivered by the Academy is the maintenance and development of a high-quality education delivered to the young people of the community the Academy serves, which is in an area of high deprivation. The Academy aims to provide local young people with a broad and balanced curriculum with a strong emphasis on, but in no way limited to, Engineering & Design and English. The Academy works specifically to improve the career aspirations of the young people and works in connection with the Southern University Network to improve the number of young people entering further education.

Objectives, Strategies and Activities
The Academy's main strategy is encompassed in its mission statement, which is "**Everyone is a learner and everyone is a teacher**".

The Academy aspires to become an inspiring learning centre for everyone who engages with us, with all activities and experiences in the Academy focused on learning, personal growth and supporting all the learners to lead successful, fulfilling lives. The Bourne Academy should be accessible and enjoyable for everyone who wishes to engage in learning and personal growth. Together, the Academy will succeed in developing this vision through our 6 priorities of:

- Raising aspirations of students, their parents/carers and the community, reducing absence, and ensuring that all leaving students are in employment, education or training.
- Raising standards including attainment for all years and standards in English and Mathematics.
- Developing strong partnerships with parents/carers, businesses and the local and wider community.
- Ensuring inclusive learning, namely the highest standards of learning and teaching, and a relevant and personalised curriculum for all students.
- Developing a culture of Rights & Responsibilities where outstanding behaviour allows all learners to achieve success and all members of the Academy treating each other with respect.
- Ensuring that leadership skills and attributes are fostered and displayed throughout the Academy by staff and students.

The Bourne Academy believes that all students should be empowered to achieve and aspire to the highest possibilities; be treated with respect and treat others with respect, and enjoy the Academy. We are therefore committed to providing a caring and safe environment through the House System for all of our students so that they can learn in an atmosphere of mutual respect for each other's views and approaches to life.

The Academy will develop literate, numerate global citizens who **ASPIRE**, i.e. they are:

Ambitious
Self-confident
Physically Aware
Independent Learners
Resilient
Emotionally Literate

THE BOURNE ACADEMY

GOVERNORS' REPORT

YEAR ENDED 31 AUGUST 2020

OBJECTIVES AND ACTIVITIES *(continued)*

Our shared objectives are that every student:

- Has belief in and a positive vision for themselves, their future and their school.
- Is literate and able to communicate ideas clearly and confidently.
- Can think clearly and is able to question, make decisions and solve problems.
- Understands and can apply engineering and design principles to make life better for people.
- Is well prepared to participate in the community as a global citizen.

Equality
The Bourne Academy's Equality Policy brings together all previous policies, schemes and action plans around equality including those that we had previously for Race, Gender and Disability. The Equality Policy has been developed as part of the Academy's commitment to our duties under the Equality Act 2010 to eliminate unlawful discrimination, advance equality of opportunity and foster good relations in connection with disability, race, ethnicity, gender, religion, belief, pregnancy, maternity, marriage, civil partnership, sexual identity and age. We are further committed to the development and promotion of cohesive communities both within the Academy's physical boundaries and within our local, national and global environments.

The Academy and the Governing Body embrace the aim of working together with others to improve the educational and wellbeing outcomes for children and young people, which is pivotal to our central belief that everyone is a learner and everyone is a teacher, and notes the rights set out in the UN Convention on the Rights of the Child, the UN Convention on the Rights of People with Disabilities, and the Human Rights Acts 1998.

The Academy seeks to embed equality of access, opportunity and outcome for all members of The Bourne Academy community, within all aspects of Academy life. In working towards this, we are guided by the following key concepts:

- **Shared humanity**. Identifying commonality and shared values, aspirations and needs underpins our approach to equality. We value our fundamental similarities and universality.
- **Valuing difference and diversity**. We recognise and respect difference and look for ways of celebrating and understanding them better.
- **Personal and cultural identity**. We will provide opportunities to explore and value the complexity of our personal and cultural identities.
- **Interdependence, interaction and influence**. The Academy recognises that, as they evolve, distinct cultures, beliefs and lifestyles will impact on and inform each other.
- **Social cohesion**. We foster positive attitudes, relationships and a shared sense of cohesion and belonging within the Academy and our local community.
- **Excellence**. We will develop literate, numerate global citizens who ASPIRE, and recognise and support high personal and collective achievement throughout our local, national and global communities.
- **Fairness and social justice**. We will develop our understanding of the inequalities and barriers that already exist in society and explore ways to reduce and remove them and promote a more equitable society.

THE BOURNE ACADEMY

GOVERNORS' REPORT

YEAR ENDED 31 AUGUST 2020

OBJECTIVES AND ACTIVITIES *(continued)*

We will ensure that we identify opportunities for promoting our vision, the key concepts, guiding principles, develop non-statutory policies, and our duties on equality legislation across all aspects of Academy life.

The Academy will actively promote and disseminate its Policy and any revisions to the Policy will be published as and when appropriate. We aim to continue to maintain positive and on-going engagement with the wider Bourne Academy community of staff, Governors, students, parents and partner agencies and will do so through a wide range of forums.

STRATEGIC REPORT

Achievements and Performance, including Key Performance Indicators

On 19 and 20 November 2019 the Academy underwent a full inspection by Ofsted under the new framework and was awarded an overall effective grade of 'Good' with 'Good' received in all five inspection areas. Ofsted found that:

- The Academy is a welcoming and inclusive school of which pupils and staff are proud to be members of its community.
- Leaders have designed an ambitious curriculum that reflects the broad national curriculum, thinking carefully about the local context and how the curriculum can support this. Pupils in Key Stages 3 and 4 follow a coherent programme that supports their personal development.
- Governors are well informed about the Academy's strengths and weaknesses and hold the Principal and other leaders to account well.
- Safeguarding is effective, with leaders creating a strong culture of safeguarding. The safeguarding team have strong links with other schools and external agencies and are tenacious in securing support for vulnerable children.

The reports recommends the following next steps for the Academy;

- To consider the content of the curriculum better in some subjects to ensure that pupils acquire the important knowledge they need and to reduce gaps in their knowledge.
- To improve the planning of 6th form students understanding of wider personal, social and moral issues to fully prepare them for life beyond school.

Provision during the Coronavirus pandemic lockdown

With the onset of the national lockdown as a result of the coronavirus pandemic, the Academy went into partial closure from 20 March 2020, remaining open for children of key workers and vulnerable students.

Online education provision was provided through the online homework system that the Academy had been using since the start of the academic year. Consideration was given to those students who did not have access to appropriate IT facilities at home to support online learning, with staff preparing paper-based work that was distributed and collected from these students on a fortnightly basis.

THE BOURNE ACADEMY

GOVERNORS' REPORT

YEAR ENDED 31 AUGUST 2020

STRATEGIC REPORT *(continued)*

The Academy had a number of students and staff that were included in the clinically vulnerable and extremely clinically vulnerable categories who had to completely self-isolate during the entirety of lockdown. Staffing rotas were drawn up to ensure that teachers and support staff were able to continue to work and educate students, but without putting themselves at undue risk of contracting the virus.

Over the summer term the pastoral team carried out additional work to support our most vulnerable students and increase their attendance at the Academy.

From June 2020 the Academy was able to open more widely, providing face to face sessions for Year 10 students in Core subjects with online lessons for their options subjects and all Year 12 students. Extensive planning and risk assessments were undertaken to ensure the safety of staff and students for this wider opening.

A number of residential trips that were planned for the summer term were cancelled due to the pandemic restrictions. Where costs could not be fully recovered from the travel agents, successful claims have been made through the RPA insurance scheme to ensure that the Academy was not impacted financially.

The Government scheme for the provision of computers and 4G boosters to disadvantaged students in Year 10 was accessed and the Academy received 60 laptops and 30 4G boosters which were distributed to the appropriate students in July. Additional funding was also obtained from external sources to support the purchase of further laptops for students struggling to access online work and other educational costs that arose due to the pandemic. The Academy also utilised the Government's National Voucher scheme for the provision of free school meals, circulating supermarket vouchers to over 180 students on a fortnightly basis.

Results

The Academy sets out its key performance indicators (KPIs) in the development plan for the year and monitors progress throughout the year, amending strategies as required, in order to achieve these KPIs.

At GCSE level the main KPIs for this year were to achieve a +0.25 overall Progress 8 score, individual positive Progress 8 scores for English, Maths and Science and 66%+ of students obtaining grade 9-4 scores (including English and Maths).

With the cancellation of the summer 2020 exam series, results for this academic year were calculated mainly using Centre Assessed Grades (CAGs), with uplifts for some students using the Government's algorithm. The Academy's CAGs underwent a rigorous moderation process to ensure that the students received the most likely result that they would have achieved if they had undertaken the exams.

Government performance tables are not being published for this academic year but, using the Academy's management information system the Academy is seeing a Progress 8 score of +0.34 (+0.09 if using only CAGs), compared to a figure of +0.00 in 2018/19.

Overall, 74% and 67% of students obtained grades 9-4 in English and Maths respectively (2018/19 73% and 60%). Twenty other subjects had 70%+ of their students obtaining at least a grade 4.

THE BOURNE ACADEMY

GOVERNORS' REPORT

YEAR ENDED 31 AUGUST 2020

STRATEGIC REPORT *(continued)*

At A-level the main KPI was to obtain a 100% pass rate and a progress score of at least ALPs level 5. A-Level results were also allocated using the CAGs and with some students receiving a grade uplift as a result of the Government's algorithm. No ALPs score has been published, but the Academy is pleased to report that a 100% pass rate was achieved.

The Academy has had a record number of students entering university from the 6th form (33 students), with 21% going on to study at Russell Group institutions and 18% moving on to study for medical careers.

Disadvantaged Students

Disadvantaged Student funding (formerly Pupil Premium funding) is received in addition to our main Government funding and is given to schools and academies to help narrow the attainment gap between pupils from low income families and their peers. Students are eligible for this funding if they have been registered for Free School Meals at any point in the last 6 years or they are Looked After (in care). Approximately 40% of students currently at the Academy are eligible for Disadvantaged Student funding.

During 2019/20 the Academy continued to ensure that the disadvantaged students funding was used to maximum effect. GCSE results this year saw 54% of students obtaining a grade 4 or higher in English and/or Maths, with the Progress 8 score being +0.11 (2018/19 45% and Progress 8 score -0.19. The internal progress gap between disadvantaged students and their peers has slightly narrowed this year, from -0.41 to -0.38.

Up until the start of lockdown, the Academy focused on relationship-based approaches, as research indicates that these have the most impact. For that reason, focus was on the following:

1. One-to-one mentoring of under-achieving Year 10 and Year 11 disadvantaged students by teaching staff.
2. Creation and use of a new Year 11 disadvantaged register - focused on student context and personalised intervention strategies (based on staff feedback on individual students). Additionally, all Year 11 disadvantaged students completed a questionnaire on barriers to learning and what extra help they need to achieve – this was circulated to staff as an aide to working with individual students.
3. Disadvantaged students were prioritised for Maths, English and Science one-to-one/small group tuition.

The Academy will continue with these approaches during the next academic year and emphasise focus on catching up on the time missed at school during lockdown.

6th Form

The Academy is very proud of its 6th Form as it continues to improve academically, and our students continue to be successful in their choice of further education. The Academy provides a range of A-Levels or Level 3 BTEC courses to its students, which will benefit them whether they choose to go on to University or into the work place.

THE BOURNE ACADEMY

GOVERNORS' REPORT

YEAR ENDED 31 AUGUST 2020

STRATEGIC REPORT *(continued)*

A distinctive addition to our 6th Form is that of the Bourne Ambassador Scheme. This is a pioneering and effective project which pairs up each 6th former with a local business expert for two years of mentoring through the A-Level course. The Ambassador advises students on how to present themselves; they offer self-confidence tips and their experience and expertise to successfully negotiate a route into Higher Education or employment. The Academy has recruited increased numbers into the scheme this year and the programme has been so successful that it has been presented at the national UCAS conference for careers advisors.

Careers advice is exceptionally strong at the Academy, this being evidenced by our Careers Advisor securing a national award for careers advice and guidance. The Academy was also one of only 3 schools nationally to achieve all Gatsby Benchmarks, a key indicator of success in the Governments career strategy document.

The Academy has continued to receive funding from the Southern Universities Network and the National Collaborative Outreach Programme. This was to deliver a programme of activities and residential trips to engage and increase the aspirations of highlighted students.

Pastoral Care and Attendance

Pastoral care continues to be provided to the students through the House and tutor system and the assertive mentoring scheme implemented by the Academy. The emotional well-being and attitude to learning of the students continues to remain a priority and the effectiveness of our Heads of House work in this area can be seen through the sustained level in student attendance throughout the academic year. The Academy's own Education Social Worker and Student Support Officer work alongside the Heads of House, assisting them with this work and provide outreach work to primary partners to embed good attendance before students join the Academy. Overall attendance at the Academy (up to the start of lockdown) increased this year to 94.31% (2019 – 93.34%), however the persistent absence rate increased to 17.1% (2019 - 16.2%). The Academy will continue to refine its already robust attendance systems and procedures in order to meet its aspirational target of 96% attendance.

Additional pastoral care and support is provided through after-school curriculum enrichment sessions, which has been effective in accelerating students' progress, preparing them for examinations and promoting their sense of well-being. The Academy also employs an Emotional Health and Well Being Coordinator who works with the students to support their mental health.

The Student Council for the year, led by the Head Boy and Head Girl and their Assistants, continued to be a positive force within the Academy and the Academy welcomes the positive contributions to the school community that this council, and its associated sub-committees, has made. They, along with the Academy's student leaders, are playing a significant part in shaping the direction of the Academy and allowing the students to develop their ability to ASPIRE.

The Academy continues to strengthen links with local primary schools through our Primary Partnership scheme, however the usual range of workshops and activities offered to primary school students was reduced this year due to lockdown.

THE BOURNE ACADEMY

GOVERNORS' REPORT

YEAR ENDED 31 AUGUST 2020

GOING CONCERN

In order to assess going concern, the Governors review the 3 year budget plan for the Academy and associated cash flow forecasts. They have determined from their review that there is a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Academy 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 (page 31). Ensuring that the Academy achieves a balanced budget is a priority of the Governors.

FINANCIAL REVIEW

Throughout the year, the Academy continued to develop the accounting functions, paying particular regard to the recommendations provided by the auditors. The finance manual, detailing the procedures in place, continues to be reviewed and updated on an on-going basis to ensure compliance with the Academies Financial Handbook and that the financial policies and controls used are appropriate and consistently applied.

The Academy receives the majority of its funding from the Education and Skills Funding Agency (ESFA). The income received from the ESFA is split into three main areas; the General Annual Grant (calculated from the number of pupils enrolled in the Academy), disadvantaged funding and grants for other purposes. Other income is received from the Local Authority (Bournemouth Borough Council) and through other activities carried out by the Academy. The Academy has seen a sustained level of community lettings over the year, monies from which support the Academy's educational activities.

Total income for the year amounted to £5,978,768 (2019 - £6,043,519). The total amount received from the ESFA during the year was £5,653,471 (2019 - £5,520,287) which makes up 94.6% (2019 – 91.3%) of the year's total funding. The increase in income from the ESFA relates to the new Teachers' Pension grants made for the first time this year.

The component parts of the ESFA funding are as follows:

- £5,027,289 for the General Annual Grant (GAG).
- £300,274 in respect of Disadvantaged Student funding.
- £19,837 in respect of Year 7 Catch Up funding.
- £20,937 for capital purposes.
- £25,704 in respect of rates relief.
- £68,060 in respect of the teachers' pay grant.
- £191,370 in respect of the teachers' pension grant.

The Academy also received funds totalling £325,297 (2019 - £523,232) from a number of other sources as follows:

- £74,097 from the local authority and other councils for special educational needs and Looked After Children Disadvantaged Student funding.
- £24,960 from the Southern Universities Network to support a careers programme.
- £47,281 from parents and pupils for contributions towards school trips & activities.
- £53,694 raised through uniform and tuition sales, sale of staff services, sales of goods and hire of facilities.
- £33,000 from Teach 1st and Schools Direct to support training for their trainees.
- £4,369 from the Duke of Edinburgh Diamond grant scheme to support the Academy's Duke of Edinburgh programme.

THE BOURNE ACADEMY

GOVERNORS' REPORT

YEAR ENDED 31 AUGUST 2020

FINANCIAL REVIEW *(continued)*

- £10,000 from the Talbot Village Trust to support Covid related costs paid by the Academy
- £3,938 from the Dorset Community Foundation (via The Bourne Foundation) to assist in the provision of laptops to disadvantaged students during lockdown.
- £10,000 from the Alice Cooper Dean Foundation to support a First Aid frontliner.
- £13,720 in respect of contributions from foreign students for visits to the Academy.
- £17,894 in claims through the Coronavirus Job Retention Scheme
- £32,344 of other sales, grants, donations and receipts.

Funding from income sources other than the ESFA has been affected this year due to the national lockdown as the Academy had to curtail activities that raise funds for the general purposes, with lettings being the most greatly impacted. Lettings stopped at the beginning of the lockdown period, with only very few external groups being able to re-commence their activities during the summer months. Overall, it is estimated that the Academy lost approximately £25,000 of income due to the lockdown. The Academy was fortunate to obtain funding amounting to £13,938 to support additional costs associated with the education provision during lockdown.

Income, which is received with a stipulation of the terms on how it is to be expended, is included within the restricted funds and the associated expenditure is taken to these funds. Where income is received specifically for capital purposes then it is included within the restricted fixed assets fund. All other restricted income is included within the restricted general funds.

The total expenditure for the Academy for the year amounted to £6,522,442 (2019 - £6,427,170) and the vast majority is associated with providing education to the students attending the Academy. This is done through the provision of teaching staff, educational materials and resources and ensuring that the infrastructure is in place to support this provision.

The largest item of expenditure for the Academy is the cost of its employees, who are made up of teaching, educational support staff, management and administration staff. Staffing costs for the year, including redundancies and supply cover costs, but excluding the apprenticeship levy (as per note 10), came to £4,759,209 (2019 - £4,818,287) which is 72.9% (2019- 74.9%) of the total expenditure and 79.6% (2019 – 79.7%) of income received in the year.

£293,122 (2019- £291,012) has been spent during the year on the upkeep and maintenance of the school premises. The remainder of the expenditure, £1,470,111 (2019 - £1,317,871) includes £497,000 in relation to financial adjustments in connection with the Local Government Pension Scheme (2019 - £142,000). The remaining £973,111 (2019 - £1,175,871) was spent on areas such as training and development of staff, educational supplies and resources, student welfare, examinations, IT and depreciation of assets. Costs have decreased this year, partly due to the Academy making concerted efforts to control cost, but also in relation to savings made during the partial closure of the school during lockdown.

As a result of the national pandemic, the Academy incurred costs amounting to £10,206 to ready the premises for the return of the students and the additional cleaning requirements. As the Academy has obtained a surplus for the year additional funding to cover these costs has not been claimed from the Government.

THE BOURNE ACADEMY

GOVERNORS' REPORT

YEAR ENDED 31 AUGUST 2020

FINANCIAL REVIEW *(continued)*

On its educational provision, the Academy incurred a surplus of £171,744 (2019 – a deficit of £66,561). This result was a substantial improvement compared to that budgeted at the start of the year (£7,982). The Academy improved on the budgeted position through prudent decision making when replacing leaving staff throughout the year and also through savings made during the school partial closure over the national lockdown. The Academy was able to make savings in the areas of educational supplies and resources, external education provision, the reduction in the costs of the summer 2020 exam series due to their cancellation and utilities through less usage of electricity and gas.

The Governors continue to monitor the Academy's Medium-Term Financial Plan, which reviews the forecasts up until 2022/23. Overall, the Academy achieved a net deficit for the year, prior to actuarial gains on the pension scheme, of £543,674 (2019 - £383,651). This incorporates the surplus on educational provision of £171,744, capital funding received of £28,874, less the depreciation on assets of £247,292 and finance costs associated with the Local Government Pension Scheme of £497,000.

The Academy's associate staff members belong to the Local Government Pension Scheme (LGPS), which is a defined benefit pension scheme. The LGPS had an interim actuarial valuation as at 31 August 2020, and using the assumptions detailed in note 24 to the financial statements, the deficit on the scheme was calculated to be £4,733,000; this has resulted in an actuarial loss on the scheme of £588,000 being recognised in the statement of financial activities.

Overall, the Academy had a net reduction in funds of £1,131,674 (2019 – £1,092,651) and as at 31 August 2020 the Academy had funds totalling £4,433,693 (2019 - £5,565,367). Of this £4,426,884 (2019 - £5,556,575) is contained within the restricted funds, a breakdown of which can be seen in note 16 to the financial statements.

Reserves Policy and Financial Position

The Governors regularly monitor the Academy's cash balances to ensure that they provide 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. Following a review, the Governors have agreed that the level which is held should cover the cost of net wages for one month's payroll, approximately £230,000.

As at 31 August 2020 the Academy held total fund balances of £4,433,693. Of this the free reserves (unrestricted funds of £6,809, 2019 - £8,792), plus the carried forward funds in relation to the General Annual Grant, but excluding other restricted funds, amounted to £171,239 (2019 - £8,792) and the cash at bank and in hand balance stood at £306,204. The Governors have considered the balances held at the year end, alongside the future financial forecasts of the Academy, and consider that the levels held are currently sufficient to meet working capital requirements. The Academy will continue to focus on building the level of free reserves held through maximising lettings income as far as possible during the current climate.

The LGPS pension reserve deficit of £4,773,000 causes the Restricted General Funds to appear negative in value at 31 August 2020. The value of this reserve is calculated by an interim actuarial valuation of the LGPS as at 31 August 2020. As explained in note 24, if this deficit ever became payable the liabilities on the LGPS would be met by the Department of Education and not by the Academy. Excluding the pension reserve the value of restricted general funds is £176,286 (2019 - £9,000).

THE BOURNE ACADEMY

GOVERNORS' REPORT

YEAR ENDED 31 AUGUST 2020

FINANCIAL REVIEW *(continued)*

The funds contained in the restricted fixed asset fund are not available for the general purposes of the Academy as at 31 August 2020.

Investment Policy
The Academy operates an investment policy that seeks to maximise returns, minimise risk and maintain flexibility and access to funds.

Risk Management including Principal Risks and Uncertainties
A risk management committee has been established as part of the Academy's internal control arrangements. The committee conduct an on-going review of the major risks to which the Academy has been exposed, ensure that appropriate steps have been taken as necessary to mitigate these risks and provide regular updates of the Academy's risk register for consideration by the Leadership Team.

The principal risk facing the Academy is that future income streams may not be sufficient to cover forecast future expenditure plans. Student numbers are the key driver of the Academy's income, and the demographic trends set out in local population estimates showed that secondary school student numbers within Bournemouth decreased until 2014/15, before they started to climb significantly following the large numbers of children presently within local primary education.

Pupil admissions into Year 7, for both September 2019 and 2020, have continued at the pupil admission number of 180, with appeals to gain entry seen again. These high entry numbers are expected to continue until Years 7 to 11 reach full capacity. However local competition at Year 9 entry schools, is affecting student levels between Years 9 to 11. Entries into the Academy's 6th Form have increased over recent years, leading to expectations that the 6th Form will be reaching capacity shortly. With the continued restrictions in place as a result of the national pandemic there is a concern that pupil applications for September 2021 may not be as high as usual without the usual annual open evening to showcase the Academy's attributes. However, online presentations were carried out, with exceptionally positive feedback, so the Academy is expecting to be full in Year 7 from September 2021.

The risk register identifies a number of other significant financial risks and puts in place effective means, including appropriate insurance cover, to mitigate these risks and safeguard the Academy's interests. The Academy also has in place systems of internal financial control which are regularly reviewed and updated.

Fundraising
The Academy does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Governors.

PLANS FOR FUTURE PERIODS
The Academy will continue to carry out on-going reviews of structure and procedures across the Academy with revisions taken as and when required.

The building programme undergone by the Academy over 2 years was completed in December 2013. This is allowing the Academy to gradually increase capacity from 650 students to 1,050 (this includes a dedicated 6th form centre for up to 150 post 16 learners). Currently the Academy has approximately 967 learners on roll and it is expected that full capacity will be reached shortly.

THE BOURNE ACADEMY

GOVERNORS' REPORT

YEAR ENDED 31 AUGUST 2020

PLANS FOR FUTURE PERIODS *(continued)*

Over the coming year, the Academy will focus on catching up the students on the school time they have missed out on due to lockdown. This will involve focusing on the exam year groups, utilising the Covid-19 catch up funding that the Government is providing to ensure that the students are caught up to the standards they need to achieve the best possible results in the summer 2021 exam series. The Academy is also concentrating on a small number of students that have entered in Year 7 with very low prior ability. Focused small group work is being carried out to ensure that they are caught up to their peers and able to fully participate in their key stage 3 curriculum. The additional catch up funding being provided by the Government will be used to assist in financing these resources.

The Academy has put considerable resources into ensuring that the Academy is as safe as possible for staff and students on their full return from September 2020 and the measures in place are expected to continue for some time. It is hoped that restrictions related to the national pandemic will not impact on the Academy's educational activities over the next year. However, the Academy is planning for all eventualities, with plans for increased online educational provision and ensuring that staff and disadvantaged students will be able to fully provide and access this provision from home if further lockdowns are implemented.

As a result of a 2019 School Resource Management Advisor review the Academy is currently undergoing a Governor led 6th Form review. This is to ensure that the Academy maximises student recruitment and retention through the possibility of widening our 6th form curriculum offer. This is expected to appeal to the local community while ensuring that financial viability is improved. The Academy also wishes to expand the 6th form over the next few years, both in number and physical size. Plans were being discussed during 2019/20, but these were delayed during lockdown and will be revisited over the coming years.

The Academy is investigating the possibility of forming a Multi-Academy Trust with other local single academy schools. This is currently in the exploratory phase with no firm plans yet decided on.

AUDITOR

Insofar as the Governors are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware,
- The Governors 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.

Crowe U.K. LLP has expressed its willingness to continue in office as statutory auditor and a resolution proposing its re-appointment will be submitted to the forthcoming Annual General Meeting.

The report of the Governors, incorporating a Strategic Report, was approved by the Governing Body, as the company directors, on 8/12/2020 and signed on their behalf by:

RICHARD KNOTT
Chair of Governors

Richard Knott

THE BOURNE ACADEMY

GOVERNORS' STATMENT

YEAR ENDED 31 AUGUST 2020

SCOPE OF RESPONSIBILITY

As Governors, we acknowledge we have overall responsibility to ensure that The Bourne Academy 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. As Governors, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Governing Body has delegated the day-to-day responsibility to the Principal, as Accounting Officer, and the Finance and Pay Committee, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Bourne Academy and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Governors' Report and in the Statements of Governors' Responsibilities. The Governing Body has formally met 3 times during the year; a fourth meeting scheduled for at the start of lockdown had to be cancelled. In order to ensure effective oversight throughout the year, the Academy uses its Link Governance structure to maintain effective oversight. The Chair meets with the Principal on a weekly basis and Governors linked to individual areas meet with their department heads at least twice termly. Reports are made back to the full Governing Body at their meetings.
Attendance during the year at meetings of the Governors was as follows;

	Meetings attended	Out of a possible
Mark Avoth	3	3
Henry Bishop	3	3
Tim Brown	3	3
Daniel Butt	2	3
Pauline Calvert	1	1
Darren Cheeseman	2	2
Caroline Foster	3	3
Oliver Hunter	3	3
Nicola Jinks	2	3
Richard Knott (Chair)	3	3
Heidi Leavesley	1	3
David Mastrocola	3	3
John McGibbon	1	1
David Neill	3	3
Jacqueline Page	3	3
Adrian Smith	3	3
Ben Vessey	2	3
Lisa Welch	1	2

The Governing Body continue to monitor their breadth of skills and how they support the Academy. A skills audit was undertaken of the Governing Body during November 2019. The results are being used to identify potential knowledge gaps in the Governing Body and assist in the appointment of future governors to fill any gaps.

THE BOURNE ACADEMY

GOVERNORS' STATMENT

YEAR ENDED 31 AUGUST 2020

GOVERNANCE *(continued)*

The formal link governance structure, developed in 2019, has continued. This links individual Governors to areas of the Academy. The aim of this is to increase the level of involvement governors have within the Academy, ensuring that they have a deeper understanding of different areas. Link Governors will assist their Academy area using their knowledge and experience and feed back to the Governing Body any issues or areas of best practice they have observed.

During the year three new Governors were appointed. These were: Darren Cheeseman, as the Community Governor; Lisa Welch, elected as Parent Governor, Adrian Smith and John McGibbon.

During the year, the Governing Body has continued to review progress against the key performance indicators detailed in the Academy's development plan. They challenge the executive group on the results obtained, seeking explanations and confirming validity of the information presented. Although the main challenge for the Academy continues to be managing the finances effectively in line with the funding provided by the Department of Education, the Governing Body have also worked to ensure that recommendations provided in the November Ofsted inspection are being followed up and acted upon.

The Finance and Pay Committee is a sub-committee of the main Governing Body. Its purpose is to monitor the Academy's finances over the year, which includes; levels of funding (indicative and actual), budgets and the medium term prospects, monitor and review the financial procedures within the Academy and receive the auditor's reports and recommendations. The Finance and Pay Committee is required to report back to the full Governing Body and make recommendations as required for the full Governing Body approval. Meetings of the Finance and Pay Committee are generally held 3-4 weeks prior to a full Governors' Meeting.

Attendance at the meetings during the year was as follows:

Governor	Meetings attended	Out of a possible
Tim Brown *(chair during the year)*	3	3
Adrian Smith *(chair from September 2020)*	3	3
Richard Knott	3	3
John McGibbon	1	1
Mark Avoth	3	3

REVIEW OF VALUE FOR MONEY

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

The Accounting Officer considers how the Academy's use of its resources has provided good value for money during each academic year, and reports to the Governing Body where value for money can be improved, including the use of benchmarking data where appropriate. The focus of the Academy is always to raise educational standards and improve the achievements of our students, and with this in mind, the Accounting Officer has focused resources in a way to maximise the students' achievements while being mindful to deliver good value in the use of public resources.

THE BOURNE ACADEMY

GOVERNORS' STATMENT

YEAR ENDED 31 AUGUST 2020

REVIEW OF VALUE FOR MONEY *(continued)*

The Accounting Officer for the Academy has delivered improved value for money during the year by:

- When an employee has left the Academy, their job role and teaching timetable has been reviewed to see if working smarter could lead to either combining roles or natural wastage. This has led to one teacher leaving mid-year not being replaced with a full-time replacement creating financial savings, without compromising educational outcomes within that subject.
- Retender of the grounds contract during the year after using the same provider for 10 years. Although, this has led to a small increase in cost to the contract the increased workload included within the new contract has provided greater value for money and improved grounds, which will hopefully lead to increasing the number of lettings clients using the grounds.
- The Academy has continued with the National Schools Breakfast programme, in partnership with Magic Breakfast. This provides the Academy with free breakfast foods to supply to students and saves the cost of the purchases that the Academy was making to fund free breakfasts itself. The scheme has continued to provide breakfasts during the lockdown period, which have been distributed by Academy stall to our most disadvantaged families.

A retender of the catering contract was due over the Summer 2020 term, but this has been postponed due to lockdown and will occur during the next academic year.

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 Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Bourne Academy from 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Governing Body has reviewed the key risks to which the Academy is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy's significant risks that has been in place for the period from 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body;
- regular review by the Finance and Pay 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;

THE BOURNE ACADEMY

GOVERNORS' STATMENT

YEAR ENDED 31 AUGUST 2020

THE RISK AND CONTROL FRAMEWORK *(continued)*

- clearly defined purchasing guidelines;
- identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and re-appointed Moore Stephens as internal auditor during the year to 31 August 2020.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. This year Moore Stephens has performed one review of the financial processes in line with the Academy's Finance Manual and the Academy Handbook 2019 and delivered their work schedule as planned. The checks carried out in the current period included:

- review of budget and budgetary assumptions
- review of management accounts
- review of nominal ledger
- review of risk register
- review of control systems and procedures

The internal auditor reports to the Governing Body, through the Finance and Pay Committee on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities, reporting to the committee to outline the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress. During the year under review internal audit visits had to be postponed due to lockdown, with the one visit of the year being performed remotely. As a result the full schedule of work planned for this year will be rolled forward to the next year.

REVIEW OF EFFECTIVENESS

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

- the work of the internal auditor;
- the work of the external auditor;
- 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 the review of the system of internal control by the Finance and Pay Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 8/12/2020 and signed on its behalf by:

Richard Knott

RICHARD KNOTT
Chair of Governors

MARK AVOTH
Accounting Officer

THE BOURNE ACADEMY

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

YEAR ENDED 31 AUGUST 2020

As Accounting Officer of The Bourne Academy, I have considered my responsibility to notify the Academy's Governing Body and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of funding received by the Academy, 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 2019.

I confirm that I, and the Academy's Governing Body, are able to identify any material irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook 2019.

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

MARK AVOTH
Accounting Officer

Date: 8/12/2020

THE BOURNE ACADEMY

STATEMENT OF GOVERNORS' RESPONSIBILITIES

YEAR ENDED 31 AUGUST 2020

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements 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 Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by order of the members of the Governing Body on 8/12/2020 and signed on its behalf by:

Richard Knott

RICHARD KNOTT
Chair of Governors

THE BOURNE ACADEMY

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMNTS TO THE MEMBERS OF THE BOURNE ACADEMY FOR THE YEAR ENDED 31 AUGUST 2020

Opinion

We have audited the financial statements of The Bourne Academy (the 'Academy Trust') for the year ended 31 August 2020 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2020 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, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education & Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report (which includes the Reference and Administrative Details, the Report of the Directors and Strategic Report and the Governance Statement), other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

THE BOURNE ACADEMY

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMNTS TO THE MEMBERS OF THE BOURNE ACADEMY FOR THE YEAR ENDED 31 AUGUST 2020

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the Academy Trust 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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

THE BOURNE ACADEMY

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMNTS TO THE MEMBERS OF THE BOURNE ACADEMY FOR THE YEAR ENDED 31 AUGUST 2020

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report
This report is made solely to the Academy Trust'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 Trust's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Tara Westcott

Senior Statutory Auditor

For and on behalf of
Crowe U.K. LLP
Statutory Auditor
Carrick House,
Lypiatt Road,
Cheltenham
GL50 2QJ

Date: 16 December 2020

THE BOURNE ACADEMY LIMITED

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE BOURNE ACADEMY LIMITED AND THE EDUCATION FUNDING AGENCY FOR THE YEAR ENDED 31 AUGUST 2020

In accordance with the terms of our engagement letter dated The Bourne Academy and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Bourne Academy during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Bourne Academy accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of The Bourne Academy's funding agreement with the Secretary of State for Education dated 24 February 2010 and the Academies Financial Handbook extant from 1 September 2019, 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 2019 to 2020. 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 2019 to 31 August 2020 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 2019 to 2020 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity. A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

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

The work undertaken to draw to our conclusion includes a review of the design and implementation of the charitable company's internal controls and review processes on regularity, supported by detailed tests on samples of costs incurred by the charitable company and specific transactions identified from our review.

THE BOURNE ACADEMY LIMITED

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE BOURNE ACADEMY LIMITED AND THE EDUCATION FUNDING AGENCY FOR THE YEAR ENDED 31 AUGUST 2020

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 2019 to 31 August 2020 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Crowe UK LLP

Crowe U.K. LLP
Statutory Auditor
Carrick House,
Lypiatt Road,
Cheltenham
GL50 2QJ

Date: 16 December 2020

THE BOURNE ACADEMY

STATEMENT OF FINANCIAL ACTIVITIES
Incorporating the Income and Expenditure Account

YEAR ENDED 31 AUGUST 2020

	Note	Un-restricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2020 £	Total 2019 £
INCOME FROM:						
Donations and capital grants	3	364	20,505	7,937	28,806	46,900
Charitable activities:						
Funding for the Academy's educational operations	4	-	5,798,614	20,937	5,819,551	5,744,639
Other trading activities	5	65,249	2,165	-	67,414	118,653
Investments	6	1,040	-	-	1,040	1,267
Income from educational trips		-	47,281	-	47,281	130,000
Other income	7	676	14,000	-	14,676	2,060
TOTAL INCOME		67,329	5,882,565	28,874	5,978,768	6,043,519
EXPENDITURE ON:						
Raising funds		69,312	-	3,278	72,590	99,677
Charitable activities:						
Academy's educational operations	9	-	6,205,659	244,193	6,449,852	6,327,493
TOTAL EXPENDITURE	8	69,312	6,205,659	247,471	6,522,442	6,427,170
NET INCOME / (EXPENDITURE)		(1,983)	(323,094)	(218,597)	(543,674)	(383,651)
Transfers between funds	16	-	(6,620)	6,620	-	-
NET INCOME / (EXPENDITURE) FOR THE YEAR		(1,983)	(329,714	(211,977)	(543,674)	(383,651)
OTHER RECOGNISED GAINS/ LOSSES						
Actuarial gains / (losses) on defined benefit pension schemes	23	-	(588,000)	-	(588,000)	(709,000)
NET MOVEMENT IN FUNDS		(1,983)	(917,714)	(211,977)	(1,131,674)	(1,092,651)
RECONCILIATION OF FUNDS						
Funds brought forward at 1 September 2019		8,792	(3,639,000)	9,195,575	5,565,367	6,658,018
FUNDS CARRIED FORWARD AT 31 August 2020	16	6,809	(4,556,714)	8,983,598	4,433,693	5,565,367

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

THE BOURNE ACADEMY

BALANCE SHEET

AS AT 31 AUGUST 2020

	Note	2020 £	2020 £	2019 £	2019 £
FIXED ASSETS					
Tangible assets	13		**8,973,008**		9,187,698
CURRENT ASSETS					
Stock		**2,630**		2,938	
Debtors	14	**240,249**		318,609	
Cash at bank and in hand		**306,204**		83,481	
		549,083		405,028	
LIABILITIES					
Creditors: Amounts falling due within one year	15	**(355,398)**		(379,359)	
NET CURRENT ASSETS			**193,685**		25,669
Total assets less current liabilities			**9,166,693**		9,213,367
Net assets excluding pension liability			**9,166,693**		9,213,367
Defined benefit pension scheme liability	23		**(4,733,000)**		(3,648,000)
TOTAL NET ASSETS			**4,433,693**		5,565,367
FUNDS OF THE ACADEMY					
Restricted funds	16				
Pension deficit reserve		**(4,733,000)**		(3,648,000)	
Fixed asset fund		**8,983,598**		9,195,575	
Restricted general funds		**176,286**		9,000	
TOTAL RESTRICTED FUNDS			**4,426,884**		5,556,575
Unrestricted general funds	16		**6,809**		8,792
TOTAL FUNDS			**4,433,693**		5,565,367

The financial statements on pages 28 to 52 were approved and authorised for issue by the Governors on 8/12/2020 2020 and signed on their behalf by:

RICHARD KNOTT
Chair of Governors
Company Registration number: 07148158

The notes on pages 31 to 52 form part of these financial statements

THE BOURNE ACADEMY

STATEMENT OF CASH FLOWS

YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by (used in) operating activites	21	**225,589**	(211,202)
Cash flows from investing activities	21	**(2,866)**	(19,499)
Change in cash and cash equivalents in the reporting period		**222,723**	(230,701)
Cash and cash equivalents at 1 September 2019		**83,481**	314,182
Cash and cash equivalents at 31 August 2020	22	**306,204**	83,481

The notes on pages 31 to 52 form part of these financial statements

THE BOURNE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020

1. STATEMENT OF ACCOUNTING POLICIES

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

The Bourne Academy is registered as a company limited by guarantee at Companies House (No. 07148158) and is an exempt Charity. The address of the registered office is Hadow Road, Bournemouth, BH10 5HS.

Basis of preparation

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention and in accordance with Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the 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) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006.

The Bourne Academy meets the definition of a public benefit entity under FRS 102.

Going concern

The Governors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Governors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements In making their decision they consider the forecasts for the next financial year compared to budget, the three year financial plan and cash flow predictions. These indicate that the Academy will remain with a cumulative surplus over the foreseeable future, with adequate levels of cash to meet its debts as they fall due and as such, have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy'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 incoming resources are recognised when the Academy has entitlement to the funds, the receipt is probable 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 year is shown in the relevant funds on the Balance Sheet. Where income is received in advance of meeting any performance-related conditions there is not 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.

THE BOURNE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020

1. STATEMENT OF ACCOUNTING POLICIES *(continued)*

The 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 an entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected as a balance in the restricted fixed asset fund.

- **Donations** – donations are recognised on a receivable basis (where there are no performance-related conditions) where receipt is probable and the amount can be reliably measured.

- **Other income** – other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the Academy has provided the goods or services.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

- **Expenditure on Raising Funds** – this includes all expenditure incurred by the Academy to raise funds for its charitable purpose and includes costs of all fundraising activities events and non-charitable trading.

- **Charitable activities** – these are costs incurred on the Academy's educational operations, including support costs and costs relating to the governance of the Academy apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets

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.

THE BOURNE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020

1. STATEMENT OF ACCOUNTING POLICIES *(continued)*

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.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Long leasehold buildings	- 50 years straight line
Leasehold improvements	- 10 years straight line
Computer equipment	- between 3 and 5 years straight line
Fixtures, fittings and equipment	- between 4 and 6 years straight line
Motor vehicles	- 5 years straight line

Stock

Stocks are valued at the lower of cost of net realisable value.

Debtors

Trade debtors and all other debtors (excluding prepayments) are recognised at their settlement amount after any discount offered. Prepayments are valued at the amount prepared net of any discounts.

Cash at bank and in hand

This includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Financial Instruments

The Academy only has financial assets and liabilities of a kind that qualify as basic financial instrument. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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 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.

THE BOURNE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020

1. STATEMENT OF ACCOUNTING POLICIES *(continued)*

Leased assets

Rentals under operating leases are charged on a straight line basis over the lease term.

Pension benefits

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.

Teachers' Pension Scheme

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in Note 23, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. The TPS is therefore treated as a defined contributions scheme for accounting purposes and the contributions recognised in the period to which they relate.

Local Government Pension Scheme

The LGPS is a funded scheme and the assets are held separately from those of the Academy in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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 deficit are the current service costs and the costs of the 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 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 where is an obligation at the Balance Sheet date as a result of a past event, if 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 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.

THE BOURNE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020

1. STATEMENT OF ACCOUNTING POLICIES *(continued)*

Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency.

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 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, which are disclosed in note 23, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. 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.

The annual depreciation charges for the tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are amended when necessary to reflect current estimates and the physical condition of the assets. See note 13 for the carrying amount of the tangible assets and Note 1 for the useful lives for each class of asset.

Agency arrangements

The Academy acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy does not have control over the charitable application of the funds. The Academy can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received and paid and any balances held are disclosed in note 25.

THE BOURNE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020

2. GENERAL ANNUAL GRANT (GAG)

Under the funding agreement with the Secretary of State the Academy was subject to limits at 31 August 2020 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The Academy has not exceeded these limits during the year ended 31 August 2020.

3. DONATIONS AND CAPITAL GRANTS

	Unrestricted Funds	Restricted Funds	Total 2020	Total 2019
	£	£	£	£
Capital grants	-	7,937	7,937	-
Other donations	364	20,505	20,869	46,900
	364	28,442	28,806	46,900

4. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted Funds	Restricted Funds	Total 2020	Total 2019
	£	£	£	£
DfE / ESFA revenue grant				
General Annual Grant - note 2	-	5,027,289	5,027,289	5,064,988
Disadvantaged student funds	-	300,274	300,274	295,376
Devolved formula capital grant	-	20,937	20,937	67,345
Other DfE / ESFA grants	-	304,971	304,971	92,578
	-	5,653,471	5,653,471	5,520,287
Other Government grants				
Local authority	-	74,097	74,097	128,865
Exceptional Government funding				
Coronavirus Job Retention Scheme	-	17,894	17,894	-
	-	91,991	91,991	128,865
Other income from educational operations	-	74,089	74,089	95,487
	-	5,819,551	5,819,551	5,744,639

The Academy furloughed four of its instrumental music tutors under the Government's CJRS, whose salaries would otherwise have been fully funded by non-government sources. The funding received of £17,894 relates to staff costs for these staff members which are included in note 10 below as appropriate.

THE BOURNE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020

5. OTHER TRADING ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total 2020	Total 2019
	£	£	£	£
Hire of facilities	**40,276**	**-**	**40,276**	62,327
Uniform sales	**-**	**-**	**-**	675
Staff services & tuition	**10,968**	**-**	**10,968**	18,972
Leavers Hoodie / Summer ball sales	**-**	**-**	**-**	2,215
Funds raised by departments	**13,720**	**2,165**	**15,885**	33,402
Sales of good & services	**285**	**-**	**285**	1,062
	65,249	**2,165**	**67,414**	118,653

6. INVESTMENT INCOME

	Unrestricted Funds	Restricted Funds	Total 2020	Total 2019
	£	£	£	£
Short term deposits	**1,040**	**-**	**1,040**	1,267

7. OTHER INCOME

	Unrestricted Funds	Restricted Funds	Total 2020	Total 2019
	£	£	£	£
Backdated employer allowance	**-**	**14,000**	**14,000**	-
Other	**676**	**-**	**676**	2,060
	676	**14,000**	**14,676**	2,060

8. EXPENDITURE

	Staff Costs	Non Pay Expenditure Premises	Other	Total 2020	Total 2019
	£	£	£	£	£
Expenditure on raising funds	**59,040**	**12,228**	**1,322**	**72,590**	99,677
Academy's educational operations:					
Direct costs	**3,996,796**	**238,066**	**499,912**	**4,734,774**	4,951,533
Allocated Support costs	**963,373**	**276,331**	**475,374**	**1,715,078**	1,375,960
	5,019,209	**526,625**	**976,608**	**6,522,442**	6,427,170

THE BOURNE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020

8. EXPENDITURE *(continued)*

Net income/(expenditure) for the year includes:

		2020	2019
		£	£
Operating lease rentals		**51,220**	46,076
Depreciation	-	**247,292**	242,435
Fees payable to auditor for:	- Audit	**11,585**	11,250
	- Other services	**3,050**	4,029

9. CHARITABLE ACTIVITIES – ACADEMY'S EDUCATIONAL OPERATIONS

	2020	2019
	£	£
Direct costs	**4,734,774**	4,951,533
Support costs	**1,715,078**	1,375,960
	6,449,852	6,327,493

Analysis of support costs	**Educational Operations**	**Total 2020**	Total 2019
	£	£	£
Support staff costs	**963,373**	**963,373**	883,409
Depreciation	**6,127**	**6,127**	7,944
Premises costs	**270,204**	**270,204**	261,094
Legal costs - other	**7,000**	**7,000**	2,846
Other support costs	**446,125**	**446,125**	185,101
Governance costs	**22,249**	**22,249**	35,566
Total support costs	**1,715,078**	**1,715,078**	1,375,960

Governance costs total £22,249 (2019 - £35,566) and include; professional fees of £6,445 (2019 - £18,912), auditors remuneration of £14,635 (2019 - £15,279), support costs of £1,169 (2019 - £1,376) and Governors' training and reimbursed expenses of nil (2019 - nil).

THE BOURNE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020

10. STAFF COSTS

Staff costs during the period were:

	2020	2019
	£	£
Wages and salaries	**3,637,233**	3,806,506
Social security costs	**352,561**	369,481
Operating costs of defined benefit pension schemes	**714,238**	573,499
Apprenticeship levy	**3,131**	4,112
	4,707,163	4,753,598
Supply staff costs	**55,177**	68,801
	4,762,340	4,822,399

There are no non-statutory/non-contractual severance payments included within staff costs (2019 – nil).

The average number of persons employed by the Academy during the year was as follows:

	2020	2019
	No.	No.
Teachers	**85**	89
Administration and support	**69**	46
Management	**7**	6
	131	141

Higher paid staff

The number of higher paid employees whose employee benefits (excluding pension costs) exceeded £60,000 was:

	2020	2019
	No.	No.
£60,001 - £70,000	**2**	1
£70,001 - £80,000	**1**	1
£80,001 - £90,000	**-**	1
£100,001 - £110,000		1
£110,000 - £120,000	**1**	-

Key management personnel

The key management personnel of the Academy comprise the Governors and the Executive Group as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by paid key management personnel (the Executive Group and Staff Governor) for their services to the Academy was £475,738 (2019 - £537,243).

THE BOURNE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020

11. RELATED PARTY TRANSACTIONS; GOVERNORS REMUNERATION & EXPENSES

One or more Governors has been paid remuneration or has received other benefits from an employment with the Academy. The Principal and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff members under their contracts of employment. The value of Governors' remuneration and other benefits was as follows:

M Avoth (Principal and Governor)
Remuneration £115,001 - £120,000 (2019: £105,001 - £110,000)
Employer's pension contribution £25,001 - £30,000 (2019; £15,001 - £20,000)

D Mastrocola (Staff Governor)
Remuneration £40,001 - £45,000 (2019; £40,001- £45,000)
Employer's pension contribution £10,001 - £15,000 (2019: £5,000 - £10,000)

During the year no travel and subsistence expenses were reimbursed to Governors, in their role as Governor (2019 - nil was reimbursed).

12. GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2020 is no longer separately identifiable within the total insurance cost.

THE BOURNE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020

13. TANGIBLE FIXED ASSETS

	Long Leasehold Land, Buildings & Improvements	Fixtures, Fittings & Equipment	Computer Equipment	Motor Vehicles	Total
	£	£	£	£	£
Cost					
At 1 September 2019	10,337,237	194,307	476,888	34,083	11,042,515
Additions	1,368	10,085	21,328	-	32,781
Disposals	-	(13,202)	(119,583)	-	(132,785)
At 31 August 2020	10,338,605	191,190	378,633	34,083	10,942,511
Depreciation					
At 1 September 2019	1,259,275	152,248	409,211	34,083	1,854,817
Charge for year	219,056	10,864	17,372	-	247,292
Eliminated on disposal	-	(13,023)	(119,583)	-	(132,606)
At 31 August 2020	1,478,331	150,089	307,000	34,083	1,969,503
Net book value					
At 31 August 2020	**8,860,274**	**41,101**	**71,633**	**-**	**8,973,008**
At 31 August 2019	9,077,962	42,059	66,677	-	9,187,698

The Academy occupied the site of its predecessor school, which is owned by the Local Authority, under a short term Tenancy at Will agreement until 14 January 2016. On 15 January 2016 a new lease agreement was entered into with the Local Authority for a period of 125 years (note 18). The value of the long leasehold land was brought into the financial statements in 2013 at the value of the building programme, which was undertaken between 2011 and 2013. Depreciation commenced on the Long Leasehold Buildings once the Academy had full use of the premises.

14. DEBTORS

	2020	2019
	£	£
Trade debtors	**18,731**	12,246
VAT recoverable	**25,361**	43,633
Other debtors	**2,420**	4,000
Prepayments and accrued income	**193,737**	258,730
	240,249	318,609

THE BOURNE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020

15. CREDITORS: Amounts falling due within one year

	2020	2019
	£	£
Trade creditors	**108,022**	235,100
Taxation, social security and pension liabilities	**166,991**	91,659
Other creditors	**10,527**	6,013
Accruals and deferred income	**69,858**	46,587
	355,398	379,359

Deferred Income

	2020	2019
	£	£
Deferred income at 1 September 2019	**14,484**	65,976
Resources deferred in the year	**7,019**	14,484
Amounts released from previous years	**(14,484)**	(65,976)
Deferred income at 31 August 2020	**7,019**	14,484

The value of deferred income included above relates to funds received in advance for educational trips occurring from 1 September 2021.

THE BOURNE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020

16. FUNDS

Funds for the year ended 31 August 2020

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, Losses & Transfers £	Balance at 31 August 2020 £
Restricted General Funds					
General Annual Grant	-	5,027,289	(4,856,239)	(6,620)	164,430
Other ESFA/DfE grants	-	304,971	(304,971)	-	-
Disadvantaged students	-	300,274	(289,268)	(11,006)	-
LA grants	-	74,097	74,097)	-	-
Careers grants	-	26,460	(26,460)	-	-
Other Government grants	-	50,894	(50,894)	-	-
Other grants, sales & donations	9,000	51,299	(48,443)	-	11,856
Educational trips	-	47,281	(58,287)	11,006	-
Pension reserve	(3,648,000)	-	(497,000)	(588,000)	(4,733,000)
	(3,639,000)	5,882,565	(6,205,659)	(594,620)	(4,556,714)

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, Losses & Transfers £	Balance at 31 August 2020 £
Restricted Fixed Asset Funds					
ESFA – General Annual Grant	15,490	-	(1,739)	6,620	20,371
ESFA – capital grant	127,333	20,937	(22,744)	-	125,526
Cycle helmet lockers	223	-	(223)	-	-
MUGA pitch	61,109	-	(8,928)	-	52,181
Science Lab refurbishment	24,909		(5,091)	-	19,818
LA – Land & Buildings	8,895,106	-	(202,161)	-	8,692,945
LA – capital grant	55,661	-	(1,271)	-	54,340
STEM Learning Suite	12,667		(4,000)	-	8,667
Other small assets	3,127	7,937	(1,314)	-	9,750
	9,195,575	28,874	(247,471)	6,620	8,983,598
Total Restricted Funds	5,556,575	5,911,439	(6,453,130)	(588,000)	4,426,884
Total Unrestricted Funds	8,792	67,329	(69,312)	-	6,809
Total Funds	5,565,367	5,978,768	(6,522,442)	(588,000)	4,433,693

THE BOURNE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020

16. FUNDS *(continued)*

Funds for the year ended 31 August 2019

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, Losses & Transfers £	Balance at 31 August 2019 £
Restricted General Funds					
General Annual Grant	-	5,064,988	(5,146,572)	81,584	-
Start-up grant	-	-	-	-	-
Other ESFA/DfE grants	-	92,578	(92,578)	-	-
Disadvantaged students	-	295,376	(267,687)	(27,689)	-
LA – SENDCO	-	87,568	(87,568)	-	-
LA – other grants	-	41,297	(41,297)	-	-
SUN Careers grant	4,950	70,051	(75,001)	-	-
Other Government grants	-	17,767	(17,767)	-	-
Other grants, sales & donations	-	65,601	(56,601)	-	9,000
Educational trips	-	130,000	(157,689)	27,689	-
Pension reserve	(2,797,000)	-	(142,000)	(709,000)	(3,648,000)
	(2,792,050)	5,865,226	(6,084,760)	(627,416)	(3,639,000)

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, Losses & Transfers £	Balance at 31 August 2019 £
Restricted Fixed Asset Funds					
Minibus	1,169	-	(1,169)	-	-
ESFA – General Annual Grant	20,244	-	(4,754)		15,490
ESFA – capital grant	73,023	67,345	(13,035)	-	127,333
Cycle helmet lockers	1,296	-	(1,073)	-	223
MUGA pitch	70,037	-	(8,928)	-	61,109
Science Lab refurbishment	30,000		(5,091)	-	24,909
LA – Land & Buildings	9,097,267	-	(202,161)	-	8,895,106
LA – capital grant	56,882	-	(1,271)	-	55,661
STEM Learning Suite	16,667		(4,000)	-	12,667
Other small assets	4,080	-	(953)	-	3,127
	9,370,665	67,345	(242,435)	-	9,195,575
Total Restricted Funds	6,578,615	5,932,571	(6,327,195)	(627,416)	5,556,575
Total Unrestricted Funds	79,403	110,948	(99,975)	(81,584)	8,792
Total Funds	6,658,018	6,043,519	(6,427,170)	(709,000)	5,565,367

THE BOURNE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020

16. FUNDS *(continued)*

General Annual Grant – this fund represents the Government funding, through the ESFA, for the provision of education by the Academy. Under the funding agreement with the Secretary of State, the Academy was subject to a limit on the amount of GAG that it could carry forward at 31 August 2020. Note 2 discloses whether the limit was exceeded.

Other ESFA/DfE grants – this fund represents Government funding received, through the ESFA, for specific purposes claimed for by the Academy. All funds received have been spent in accordance with their purposes.

Disadvantaged students – this fund represents Government funding received through the ESFA to provide additional support to students who have qualified for Free School Meals at any point in the last 6 years in order to raise their attainment. Expenditure this year has been spent in a variety of areas including; educational materials, one-to-one tuition, literacy support, breakfast club, mentoring and providing financial assistance for these students to attend educational trips (the transfer out of the fund).

LA grants – this represents top-up funding received from the Local Authority to assist in providing teaching assistants for students with special educational needs and are covered by Educational Health Care Plans and Looked After children funding for students in care at the Academy. Funds have been spent providing resources for these students.

Careers grant – this represents funds, mainly received from the Southern Universities Network, in order to support student access to quality, impartial one-to-one careers guidance and to enhance careers provision activities. Funds have been spent according to the grant application.

Other Government grants – this represents funding from Government agencies, other than the ESFA, Department of Education and the Local Authority. Funds received this year relate to grants from the Teach 1st agency and the Schools Direct Scheme to support the Academy in the costs of employing new graduates as teachers through these schemes and funds claimed through the Coronavirus Job Retention Scheme.

Other grants, sales and donations – this represents funds received to assist with a range of other activities. This year funding has been received from: the Duke of Edinburgh Diamond scheme to support the Academy's Duke of Edinburgh activities; the Alice Cooper Dean Foundation to support the employment of a first aider, the Talbot Village Trust to support Coronavirus related costs incurred, and various smaller grants to support the Academy's reading programme and the work carried out with under achieving students. Funds have been spent in accordance with their purpose. Funds carried forward relate to the first aider, a Sports England grant and Year 7 residential grants which have not yet been spent.

THE BOURNE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020

16. FUNDS *(continued)*

Educational trips - this fund represents monies raised, through parents, students and outside sources, to cover the cost of running various day and residential trips for the students. Transfers into the fund relate to Disadvantaged Student funding used to support these students to go on educational trips.

Pension reserve - this represents the deficit on the Local Government Pension Scheme. The costs/movements relating to the fund for the year have been taken from the ESFA General Annual Grant. This has been transferred into the pension reserve fund.

Restricted fixed asset fund – this represents funds received from organisations for capital purposes. Funds received during the year related to general capital funding and donations for acquiring assets. The costs within this fund are the depreciation costs of the assets included within the fund. Transfers into this fund relate to the value of fixed assets acquired using funding from other funds.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2020 are represented by:

	Unrestricted Funds	Restricted Funds	Restricted Fixed Assets Fund	Total 2020
	£	£	£	£
Tangible fixed assets	-	-	8,973,008	8,973,008
Current assets	6,809	531,684	10,590	549,083
Current liabilities	-	(355,398)	-	(355,398)
Pension scheme liability	-	(4,733,000)	-	(4,733,000)
	6,809	(4,556,714)	8,983,598	4,433,693

Fund balances at 31 August 2019 are represented by:

	Unrestricted Funds	Restricted Funds	Restricted Fixed Assets Fund	Total 2019
	£	£	£	£
Tangible fixed assets	-	-	9,187,698	9,187,698
Current assets	8,792	388,359	7,877	405,028
Current liabilities	-	(379,359)	-	(379,359)
Pension scheme liability	-	(3,648,000)	-	(3,648,000)
	8,792	(3,639,000)	9,195,575	5,565,367

THE BOURNE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020

18. LEASE COMMITMENTS

The Academy has entered into a lease from 15 January 2016 to occupy the premises of the predecessor school, which are owned by Bournemouth Borough Council. The lease is for peppercorn rent and for a length of 125 years.

At 31 August 2020 the total of the Academy's future minimum lease payments under non-cancellable operating leases was:

	2020	2019
	£	£
Amounts due within one year	**55,990**	50,633
Amounts due between one and five years	**91,999**	89,396
	147,989	140,029

19. MEMBERS' LIABILITIES

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.

20. CAPITAL COMMITMENTS

There were no capital commitments in either year.

21. NOTES TO THE CASH FLOW STATEMENTS

Reconciliation of net expenditure to net cash (outflow)/inflow from operating activities

	2020	2019
	£	£
Net (expenditure) (as per the Statement of Financial Activities)	**(543,674)**	(383,651)
Depreciation	**247,292**	242,435
Loss on disposal of tangible fixed assets	**179**	-
Defined benefit pension scheme cost less contributions payable	**260,000**	206,000
Defined benefit pension scheme finance cost	**237,000**	(64,000)
Capital grants from ESFA and other sources	**(28,875)**	(67,345)
Interest receivable	**(1,040)**	(1,267)
Decrease/(Increase) in Stock	**308**	(1,569)
Decrease/(Increase) in debtors	**78,360**	(25,794)
(Decrease) in creditors	**(23,961)**	(116,011)
Net cash provided by / (used in) in operating activities	**225,589**	(211,202)

THE BOURNE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020

21. NOTES TO THE CASH FLOW STATEMENTS *(continued)*

Cash flows from investing activities

	2020	2019
	£	£
Interest and rents from investments	**1,040**	1,267
Purchase of tangible fixed assets	**(32,781)**	(88,111)
Capital grants from ESFA	**20,937**	67,345
Capital funding received from other sources	**7,938**	-
Net cash outflow from investing activities	**(2,866)**	(19,499)

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020	2019
	£	£
Cash in hand and at bank	**306,204**	83,481
Total cash and cash equivalents	**306,204**	83,481

23. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2019	Cash flows	At 31 August 2020
	£	£	£
Cash	**83,481**	**222,723**	**306,204**

24. PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Barnett Waddingham. Both are multi-employer defined-benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2016.

Contributions amounting to £80,464 were payable to the schemes at 31 August 2020 (2019 - £nil) and are included within creditors.

THE BOURNE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020

24. PENSION COMMITMENTS *(continued)*

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic all teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

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 every 4 years. 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 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- Employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million;
- The SCAPE rate, set by HMT, is used to determine the notional investment return. The current scape rate is 2.4% above the rate of CPI. Assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The net valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £520,375 (2019 - £376,542).

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

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

THE BOURNE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020

24. PENSION COMMITMENTS *(continued)*

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £253,000 (2019 - £259,000), of which employer's contributions totalled £191,000 (2019 - £194,000) and employees' contributions totalled £62,000 (2019 - £65,000). The agreed contribution rates for future years are 18.8% for employers and between 5.5% and 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.

Principal Actuarial Assumptions	**At 31August 2020**	At 31August 2019
Rate of increase in salaries	**3.25%**	3.65%
Rate of increase for pensions in payment / inflation	**2.25%**	2.15%
Discount rate for scheme liabilities	**1.65%**	1.90%
Inflation assumption (CPI)	**2.25%**	2.15%
Commutation of pensions to lump sums	**%**	50%

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

	At 31August 2020	At 31 August 2019
Retiring today:		
Males	**23.3**	22.9
Females	**24.8**	24.8
Retiring in 20 years:		
Males	**24.7**	24.6
Females	**26.2**	26.6

Sensitivity Analysis	**At 31August 2020**	At 31August 2019
	£'000	£'000
Discount rate +0.1%	**7,187**	6,088
Discount rate -0.1%	**7,605**	6,429
Mortality assumption – 1 year increase	**7,667**	6,477
Mortality assumption – 1 year decrease	**7,129**	6,042
CPI rate +0.1%	**7,590**	6,411
CPI rate -0.1%	**7,202**	6,105

THE BOURNE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020

24. PENSION COMMITMENTS *(continued)*

The Academy's share of the assets were:

	Fair value at 31 August 2020 £'000	Fair value at 31 August 2019 £'000
Equities	**1,371**	1,331
Gilts	**320**	342
Alternative assets	**166**	152
Property	**264**	272
Cash	**28**	68
Other bonds	**211**	186
Infrastructure	**180**	137
Multi asset credit	**120**	120
Total market value of assets	**2,660**	2,608

The actual return on scheme assets was £116,000 (2019 - £199,000).

Amounts recognised in the Statement of Financial Activities

	Fair value at 31 Aug 2020 £'000	Fair value at 31 Aug 2019 £'000
Current service cost (net of employee contributions)	**(451)**	(400)
Net interest cost	**(229)**	66
Administration expenses	**(2)**	(2)
Total operating charge	**(682)**	(336)

Changes in the present value of defined benefit obligations were as follows:

	2020 £'000	2019 £'000
At 1 September	**6,256**	5,019
Current service cost	**451**	400
Interest cost	**119**	133
Estimated benefits paid net of transfers in	**(1)**	(70)
Employee contributions	**62**	65
Experience loss/(gain) on benefit obligation	**41**	-
Actuarial (gain)/loss	**465**	709
At 31 August	**7,393**	6,256

THE BOURNE ACADEMY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2020

24. PENSION COMMITMENTS *(continued)*

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

	2020	2019
	£'000	£'000
At 1 September	**2,608**	2,222
Interest income	**52**	61
Return on plan assets (excluding net interest on the net defined pension liability)	**(168)**	138
Employer contributions	**191**	194
Employee contributions	**62**	65
Estimated benefits paid	**(1)**	(70)
Administration expenses	**(2)**	(2)
Other actuarial gains/(losses)	**(82)**	-
At 31 August	**2,660**	2,608

The estimated value of employer contributions for the year ended 31 August 2021 is £202,000.

25. RELATED PARTY TRANSACTIONS

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

Included within other creditors is a balance of £585 (2019 – £1,269) due to the Bourne Foundation, a connected charity. During the year the Academy collected and banked contributions for the Bourne Foundation totalling £960 (2019 - £1,269) and paid over to the Foundation £1,644. The Bourne Foundation granted, and paid over, a total of £4,937 to the Academy during the year to support the new tutor time reading programme and assist in the purchase of laptops for disadvantaged students during lockdown. This resulted with the Foundation having a net gain for the year of £5,756 (2019 – net deficit of £1,494) and a net asset position of £8,549 at 31 August 2020 (£2,793 at 31 August 2019).

26. AGENCY ARRAGEMENTS

The Academy distributes 16-19 bursary funds to students as an agent for the ESFA. In the year ended 31 August 2020 the Academy received £13,966 (2019 - £10,943) and disbursed £7,706 (2019 - £9,702) from the fund. An amount of £6,506 (2019 - £1,522) is included in Other Creditors relating to the undistributed funds that are repayable to the ESFA.