

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the academy, its governors and advisers	1 - 2
Governors' report	3 - 10
Governance statement	11 - 13
Statement on regularity, propriety and compliance	14
Governors' responsibilities statement	15
Independent auditors' report	16 - 17
Independent reporting accountant's assurance report on regularity	18 - 19
Consolidated statement of financial activities	20 - 21
Consolidated balance sheet	22
Academy balance sheet	23
Consolidated cash flow statement	24
Notes to the financial statements	25 - 48

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

Members	Angelo Goduti, Headteacher & Accounting Officer (appointed 1 September 2014) Zoe Sprake, Chair of Governors Brian Cloke, Chair of Finance Simon Linger, Vice Chair Anne Rickwood (appointed 1 April 2015) Maureen Davies (appointed 1 April 2015)
Governors	Zoe Sprake Brian Cloke Roger Allen Anne Rickwood Simon Linger, Chair of Premises Christine Johnson, Responsible Officer Roy Excell Ian Newton Leonard Saunders (resigned 29 November 2014) Janice Wright Lyn Scott (appointed 20 October 2014) Paul Whymark (appointed 18 December 2014) Matthew Zipfel (appointed 18 December 2014) Maureen Davies Nathan Brunson Jayne Capps-Jenner Andrew Barker Ian Bryne (resigned 1 October 2014) Hilary Mason
Company registered number	07698578
Principal and registered office	Queens Road Bungay Suffolk NR35 1RW
Company secretary	Lynn Eldrett
Senior management team	Angelo Goduti, Headteacher Catherine Wiltshire, Associate Headteacher Mark Attenburrow, Assistant Headteacher Dr Louise Metcalfe, Assistant Headteacher Dr Mike Jenkins, Assistant Headteacher Stella Mackenzie, Assistant Headteacher Clint Gillett, Assistant Headteacher Lynn Eldrett, Director of Finance
Independent auditors	Larking Gowen Chartered Accountants 1 Claydon Business Park Great Blakenham Ipswich Suffolk IP6 0NL

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

Administrative details (continued)

Bankers	Lloyds Bank 19 Hall Quay Great Yarmouth Norfolk NR30 1HH
Solicitors	Eversheds LLP One Wood Street London EC2V 7WS

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

The Governors present their annual report together with the financial statements and auditor's report of the Academy for the period 1 September 2014 to 31 August 2015, including the subsidiary company, North Suffolk Skills Academy (NSSA) which has its accounts consolidated with Bungay High School. The annual report serves the purposes of both a trustees' report and a directors' report under company law. The Trust operates an academy for students aged 11 to 18 serving a catchment in North Suffolk. It has a capacity of 1,350 with a roll in the October 2014 Census of 1,280, including 277 in the VI Form.

The financial statements have been prepared in accordance with the accounting policies contained in the attached financial statements, and comply with the Charitable Company's memorandum and articles of association, the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" as issued in March 2005 (SORP 2005).

Structure, governance and management

CONSTITUTION

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the academy trust.

The Governors act as the Trustees for the charitable activities of Bungay High School Academy Trust and are also the directors of the charitable company for the purposes of company law. The charitable company is known as Bungay High School and it opened as an Academy on 1 August 2011 under company number 07698578.

Details of the Governors who served throughout the period except as noted are included in the Reference and Administrative Details on page 1.

MEMBERS' LIABILITY

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

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF GOVERNORS

The management of the Academy is the responsibility of the Governors who are appointed under the terms of the Articles of Association (listed on page 1). Governors are subject to retirement after a term of 4 years. After the term they may, if still eligible, be reappointed or re-elected.

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF GOVERNORS

New Governors meet with the Chair and/or Vice-Chair, to discuss the role in general and any specific skills they feel they have to offer. All new Governors are given a tour of the Academy and the chance to meet with staff and students. All Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. As there are normally only two or three new Governors a year, induction tends to be informal and tailored specifically to the individual.

Safeguarding is paramount and any new Governor must have or undergo an up-to-date DBS certificate (this to be entered on the Academy's central record). All Governors receive Safeguarding training at least every three years, the Chairman and Child Protection/Safeguarding Governor every two years. All such training is up to date during the year ending August 2015.

Details and background are given regarding the Academy Trust and its staff. The Induction Pack is discussed and considered and Governors also receive guidance on visiting the Academy. A password is provided to provide access to the Governors website. As stated above, induction is tailored to the individual; their needs in terms of training are considered and these may be met by the Local Authority training programme, particularly the course entitled, 'How Do I Start?' Other courses are suggested / recommended as appropriate. New Governors are also assigned a mentor for closer contact, advice and guidance, although in general any of the more experienced Governors are very willing to give support. New Governors are encouraged in the first

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

instance to join either the Care and Achievement Committee or the Teaching and Learning Committee, as these are the main working committees and enable a new Governor to quickly get involved and get to know the workings of the Academy Trust. Membership of other committees, particularly the Finance Committee, will depend on the relevant experience. Where necessary induction will provide training on charity and educational legal and financial matters. The Academy Trust continues to procure Governor Training services from Schools' Choice, the Local Authority provider. Governors fill in a self-evaluation form to keep a record of their expertise, training and areas of interest.

During the period under review the full Governing Body and the Finance Committee each held 6 meetings, plus an additional meeting to agree the previous year's accounts. Committee meetings being held as required or as stated in their Terms of Reference. The Governors of the NSSA held 5 meetings.

ORGANISATIONAL STRUCTURE

The management structure consists of three levels; the Governors, Governing Body Committees and the Leadership Team. The organisation of the Governing Body and its delegated powers are detailed in their Scheme of Management Delegation that is reviewed annually.

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy Trust by the use of budgets and making major decisions about the direction of the Academy Trust, capital expenditure and senior staff appointments. Committees of the Governing Body have delegated responsibilities. Details are set out in the Scheme of Management Delegation.

Committees:

Admissions Committee
Appeals Committee
Care and Achievement Committee
Discipline/Hearings Committee
Finance Committee
Personnel, Salaries and Conditions Committee
Premises, Health and Safety Committee
Pupil Discipline Committee
Member's Steering Committee
Teaching and Learning Committee
NSSA Directors

Groups of Governors may be formally or informally organised outside of the sub-committee structure to support the Academy as required, for example for the Performance Management of the Headteacher.

CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

The Academy provides vocational education via the NSSA for selected students from the following local schools:

- Sir John Leman High School (An Academy)
- Pakefield High School (An LA School)
- Alde Valley High School (A Sponsored Academy)
- Stradbroke High School (An Academy)

In addition the Academy works with its two larger feeder Primaries to provide IT Technician support; Bungay Primary School and Edgar Souter Primary School.

In addition, it has gained grants as follows:

- British Council Comenius European Project
- British Council Senegal Link Fund
- Suffolk County Council Raising the Participation Age
- Suffolk County Council Futureproof Fund

The Academy makes provision for training student teachers through the Graduate Training Programme, Post

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

Graduate Certificate in Education systems working together with the University of East Anglia. Funding for Looked After Children is drawn from several local authorities; Suffolk, Surrey and Norfolk County Councils, and Slough Borough Council. The Academy's Finance Director, Lynn Eldrett is the Governor Representative on Suffolk's Schools Forum (see other notes to the financial statements note 6).

NORTH SUFFOLK SKILLS CENTRE (NSSA)

A wholly-owned subsidiary company was set up on 2 July 2013. The NSSA Governors report to the Academy Trust and are subject to the same policies and procedures as Bungay High School. The NSSA covers five areas of vocational education:

- Catering provided by the TA Collection
- Construction provided by CTS Construction
- Hairdressing provided by Bungay High School
- Engineering provided by Bungay High School
- Motor Engineering provided by Bungay High School

The providers pay to lease purpose built space at the NSSA, they facilitate the courses, provide the staff and resources and the NSSA provides the facility and works with the providers to market the Centre, assess student progress and manage the Centre. The NSSA does not employ any staff, Bungay High School recharges its subsidiary for staff time spent working at and for the NSSA.

Student numbers for motor and engineering have been lower than expected in 2015/16 and the provision of places for future years is under review.

The company held its AGM in October 2014.

GOVERNORS' INDEMNITIES

Governors' liability insurance is purchased to a limit of £2,000,000.

PRINCIPAL ACTIVITIES

Bungay High School Academy is an age 11 to 18 mixed comprehensive high school. Its subsidiary company, the NSSA, is a purpose built facility offering vocational education to students from Bungay High and other local schools, colleges and individuals.

Bungay High School (BHS) is an inclusive Academy and ensures that students with special educational needs (SEN) are admitted on an equal basis, in accordance with its admissions policy. Bungay High has a wide curriculum offer, including a range of vocational courses. It also makes provision for the benefit of the wider community through provision of educational facilities and services and conducts research into new techniques in education which it shares with members of the education sector.

Objectives and Activities

OBJECTS AND AIMS

Bungay High School's object as stated in the Company's Articles of Association is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on and developing a school offering a broad and balanced curriculum.

Its mission statement is "Opportunity, Aspiration and Excellence for All" and this is reflected in the teaching and learning which encompasses a very wide curriculum and inclusive approach. The Academy Trust recognises that all students have special skills, abilities and aptitudes and all have an entitlement to access a broad, challenging and appropriate curriculum. Every student is also entitled to experience a variety of teaching and learning styles which enable them to achieve their full potential. The Academy Trust aims, through successful teaching and learning, to develop the whole child and to enable our students to become lifelong learners.

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

Since becoming an Academy, Bungay High School has built on these standards and aims in fulfilling its objectives to provide education facilities and services to our students and the wider community for the public benefit. The Academy has worked to share best practice in both teaching and learning and in school management by leading in partnership working, for example via the Suffolk Academies Consortium, the NSSA, and Suffolk Schools Forum. The Senior Management Team continue to set strategic aims through the School Improvement Plan and these aims are monitored closely by Governors.

In addition to the main educational purpose, the Academy is also a center of our rural community for sporting facilities and leisure activities. These are facilitated so that the Academy Trust charges sufficient income to cover expenses only, for example by using VI Form students to staff the Sports Centre in the evenings.

PUBLIC BENEFIT

In line with the Academy's objective to provide education services for the public good, Bungay High School strives to improve standards and quality of teaching and learning. The Academy is committed to continual improvement which is achieved in a number of ways including: improvement planning, review meetings, continual professional development, lesson observations, performance management, learning walks, self-evaluation, data analysis and action planning.

The Governors confirm that they have complied with their duty in Section 17 of the Charities Act 2011 to have regard to public benefit guidance published by the Charity Commission of England and Wales.

VALUE FOR MONEY

Bungay High School has always achieved excellent value for money, and uses tender procedures for contracts over £50,000 plus best value procedures for amounts below £50,000. Specialist help is procured when required for example in tendering for large building contracts. Purchasing consortiums are used such as the Crescent Purchasing consortium and Eastern Facilities Management. The Academy consistently compares favourably when benchmarked against similar academies in terms of spending on resources and staffing.

Group strategic report

Achievements and performance

GOING CONCERN

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

KEY FINANCIAL PERFORMANCE INDICATORS

The total number of students on role in the period ended 31 August 2015 numbered 1255, from 1 September role was 1,280. The Academy has a PAN (Pupil Admissions Number) for each year of 210 plus 300 in VI Form. In September the Academy was inspected by Ofsted and down-graded from "Outstanding" to "Requires Improvement", following an unsatisfactory set of results in 2014. Although many new initiatives have been put in place during the year, the Academy expects to see this impact more clearly on results in summer 2016. Attendance has been an issue but now an overall attendance of 95% is being achieved.

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

REVIEW OF ACTIVITIES

Bungay High School is proud of its inclusive VI Form, and the Academy takes a range of students from high-achieving academic young people, to those who retake English and Mathematics at GCSE whilst studying for vocational subjects at levels 1, 2 and 3. For 2015 there were 99 Year 13 students and the overall pass rate was good at 99% achieving A* to E overall. Academic subjects achieved 721 points per candidate and points per entry were 207. Academic subjects are summarised in the table below per year. The Academy is pleased with the improvement in our ALPS score. 4 is categorised as "very good":

Academic Year Ending	2015	2014	2013	2012
Percentage achieving A* - C	70%	69%	72%	73%
ALPS Score	4	5	7	7

Vocational results were even better at 776 points per candidate and 245 points per entry. This includes students at the NSSA. AS student's results were encouraging in 2015, with exceptional performances above the ALPs target in 9 subjects and an overall ALPS score of 4.

At GCSE, after a range of new interventions the Academy had hoped to show a greater improvement in our headline figure. The catchment has a high percentage of borderline C/D students and a group of these achieved English but not Maths (or vice versa) to Grade C in 2015. There were, however, encouraging signs of improvement; the percentage of Pupil Premium students gaining A* to C including English and Maths increased from 22% in 2014 to 31% in 2015, a range of outstanding subjects achieved well above national figures. Results are summarised in the table below per year:

Academic Year Ending	2015	2014	2013	2012
Percentage achieving 5+ A*-C	50%	46%	60%	52%
GCSEs (or equivalent) including English and maths GCSEs (5ACEM)				

Results at our vocational centre, the NSSA were very good across all levels, particularly in Level 1 Food Preparation and also Hair and Beauty and Vehicle Maintenance with 100% pass rate.

The Academy has had an Ofsted inspection in September 2014 which defines us as a school which requires improvement under the new grading system. Focus going forward will be firmly on improving our results via careful self-review, analysis of data, consistent approaches to student behaviour and working closely with parents on areas such as attendance and homework. An informal partnership with an Outstanding local school, Farlingaye High, has been established and the Academy is confident our development plan will bring improved results.

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

Financial review

FUND REVIEW

The Academy received income into its Unrestricted Fund, Restricted General Funds and Fixed Asset Fund during the period to 31 August 2015.

Restricted General Funds

The majority of the Academy Trust's income was received through Education Funding Agency (EFA) recurrent revenue grants into the Restricted General Fund, the use of which is restricted to the Academy's charitable activities, its educational operations. These revenue grants, and the associated revenue expenditure made against them, are detailed in the Statement of Financial Activities (SOFA). General Restricted Fund income for the year was £6,614,510; expenditure against the fund was £6,636,632 for the period plus carried forward funds (deficit including pension) from 2014 of £109,448, giving a restricted revenue fund carry forward deficit of £285,942 after transfers to the Restricted Fixed Fund and Pension Fund. This includes NSSA surplus of £34,671 and the pension deficit of £656,000.

Unrestricted Funds

Income received into the Unrestricted Fund was £618,560. Expenditure against the fund was £546,764 for the period, plus carried forward funds from 2014 of £434,627 giving an Unrestricted Fund carry forward of £480,828. This includes NSSA surplus funds of £41,249 as detailed in their separate financial statements.

Restricted Fixed Asset (Capital) Fund

The Restricted Fixed Asset Fund balance is reduced by an annual depreciation charge over the expected useful life of the assets concerned in line with the Academy Trust's depreciation policy.

Income received into the fund included Devolved Formula Capital Funding (DFC) of £28,334, although provision has been made to pay this to SCC as part of an agreement made before becoming an academy to give five year's DFC to SCC.

At 31 August 2015 the net book value of fixed assets was £21,440,060 including Main Site buildings originally valued at £13,500,000 on a 125 year lease and the VI Form building valued at £7,370,000 on a 123 year lease, both gifted from SCC. Movements in tangible fixed assets are shown in note 16 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of the Academy Trust. The SOFA details a £21,476,880 Restricted Fixed Asset Fund year end balance after transfers between funds. This is detailed in note 20 to the accounts.

Summary of Financial Performance

Total fund balance as at 31st August 2015 was £21,671,766 comprised of:

£480,828 Unrestricted Funds

(£285,942) Restricted General Funds. This includes a pension deficit of £656,000.

£21,476,880 Restricted Fixed Asset Funds

Those balances include NSSA funds being £41,249 in Unrestricted Funds, £34,671 in Restricted Funds and £138,357 in Fixed Assets.

PRINCIPAL RISKS AND UNCERTAINTIES

The Governors have assessed the major risks to which the Academy Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy Trust and its finances.

The Governors have implemented a number of systems to assess risks that the Academy Trust faces, especially in the operational areas (for example in relation to teaching, health and safety, bullying, safeguarding, information technology, human resources and academy trips) and in relation to the control of finance on an on-going basis. They have introduced systems, including operational procedures (for example Handsam Health &

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

Safety Management system, and an electronic security system) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy Trust has an effective system of internal financial controls and this is explained in more detail in the following statement.

The Governors have considered the need for a specific internal audit function and have decided not to appoint an internal auditor. However, the Governors have appointed Christine Johnson, a Governor as Responsible Officer (RO) from 1 September 2012. The RO's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. To assist with this role Governors have procured an external Responsible Officer Support Service. On a quarterly basis Schools' Choice (SC) undertake an independent review of the financial systems and give a written report providing feedback on how the Academies Financial affairs are being discharged. The appointed RO Governor then presents this report back to all Governors, and has access to the Academy's financial management system. The report includes action points identifying any areas for improvement. The Academy has received three Responsible Officer Reports noting scores of "Outstanding" for each, denoting between 85% and 100% scored throughout the testing process. In addition, the Academy Trust submitted the audited Academies Accounts Return for 2014 to the Education Finance Agency in January 2015, and the 2014/15 Forecast Return in July 2015. Standards are maintained with on-going finance training through the National College for School Leadership and SC, also membership of Association of School and College Leaders and the Finance Directors Forum. Specific guidance is purchased from professionals as required.

These factors provide the Governing body with assurance that:-

- the financial responsibilities of the Governing Body are being properly discharged;
- resources are being managed in an efficient, economical and effective manner;
- sound systems of internal financial control are being maintained; and
- financial considerations are fully taken into account in reaching decisions.

These arrangements can provide only reasonable and not absolute assurance that assets are safe guarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period. In addition, the Academy Trust purchases money and fidelity guarantee insurance, and "key man" assurance in respect of the Finance Director.

RESERVES POLICY

The Academy Trust recognises the change in rationale and the nature of reserves which followed conversion from an LA run school. The purposes of reserves are to ensure the Academy Trust operates as a going concern, and that it can provide sufficient working capital, cover unforeseen eventualities in line with risk management recommendations, and ensure capital maintenance both in the current financial year and in future years. The Academy Trust will achieve this by building unrestricted funds and retaining income which is unrestricted as far as possible. The Local Authority review has worked in favour of the Academy Trust and gains on delegated budget are confirmed of 3.35% until 2015.

It is the intention of the Governors to maintain free reserves at £543,000 in 2015 and £321,000 in 2016, in order to guard against funding reductions and reducing student numbers due to demographic patterns, the reduction in PAN and the pressure from new neighbouring schools and VI Form Colleges. The reserves policy is reviewed annually, plus medium term financial plans are reviewed termly in the light of changing student numbers and grant funding.

Free reserves, consisting of unrestricted net current assets, were £439,579 at the year end. Funds also included £41,249 of unrestricted funds within NSSA and £249,646 within the GAG restricted funds. The total of those reserves has exceeded the medium term financial targets, however the Governors consider this to be appropriate in view of the above-mentioned pressures on budgets.

The valuation of the defined benefit pension scheme as at 31st August 2015 is a liability of £656,000. On the

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

Balance Sheet, this is offset by Academy Trust's reserves.

MATERIAL INVESTMENTS POLICY

Investment of surplus funds into a higher interest account was approved by Governors and monitored by the Finance Director. The objective is to hold funds at low risk. The Academy does not have any endowment funds.

Plans for future periods

FUTURE DEVELOPMENTS

Bungay High School strives to continually improve levels of attainment for all students, equipping them with the qualifications, skills and character to follow their chosen pathway, whether it be into further and higher education or employment.

The curriculum, the quality of teaching and learning and informed interventions are consistently reviewed to help every child achieve their full potential. Following the introduction of the "best 8" measure for GCSE success, and budgetary pressure the Academy has reviewed curriculum and staffing to ensure the staff resource is used to greatest effect. This process will be replicated in 2015/16.

DISCLOSURE OF INFORMATION TO AUDITORS

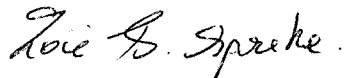
Each of the persons who are Governors at the time when this Governors' report is approved has confirmed that:

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

AUDITORS

The auditors, Larking Gowen, have indicated their willingness to continue in office. The Designated Governors will propose a motion re-appointing the auditors at a meeting of the Governors.

This report, incorporating the Group strategic report, was approved by order of the board of trustees, as the company directors, on 1 December 2015 and signed on the board's behalf by:



Zoe Sprake
Chair of Trustees

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The board of trustees has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Bungay High School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Governors' report and in the Governors' responsibilities statement. The board of trustees has formally met 7 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Governor	Meetings attended	Out of a possible
Angelo Goduti, Headteacher & Accounting Officer	7	7
Zoe Sprake, Chair of Governors	7	7
Brian Cloke, Chair of Finance	6	7
Simon Linger, Vice Chair	6	7
Anne Rickwood	5	7
Maureen Davies	6	7
Brian Cloke	6	7
Roger Allen	4	7
Anne Rickwood	6	7
Simon Linger, Chair of Premises	5	7
Christine Johnson, Responsible Officer	6	7
Roy Excell	7	7
Ian Newton	4	7
Leonard Saunders	5	7
Janice Wright	6	7
Lyn Scott	3	3
Paul Whymark	3	3
Matthew Zipfel	4	4

Governance for the NSSA was created prior to the start up of the subsidiary company on 2 July 2013. This comprised three Directors as shown in the Reference Details to provide representation from the Academy, Governors and local business. Policies and procedures were set up to mirror those of the Academy. This context allows the NSSA to operate at arms length from the Academy but for mutual benefit. The Main Governing Body was provided with reports on financial outturn, academic achievement and management/operational issues at each meeting.

The Finance and General Purposes Committee is a sub-committee of the main board of trustees. Its purpose is to deal with financial aspects of running the Academy Trust, including scrutiny of financial reports, authorisation of higher levels of procurement, setting financial policies, medium term financial planning and audit functions. Responsible Office Christine Johnson, an accountant, joins the Committee in an advisory capacity as does Lynn Eldrett, Finance Director.

Attendance at meetings in the year was as follows:

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

Governor	Meetings attended	Out of a possible
Angelo Goduti	6	6
Zoe Sprake (Chair)	5	6
Simon Linger (Vice Chair)	5	6
Brian Cloke (Chair of Finance Committee)	5	6
Roger Allen	4	6
Ian Newton	4	6
Nathan Brunsdon	3	6
Christine Johnson (Reponsible Officer)	6	6

REVIEW OF VALUE FOR MONEY

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

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

- Putting the catering service out to tender to ensure the best quality and value for money;
- reconsidering provisions for out-of-catchment transport, for which we engaged a company that deals directly with the parents;
- using the Crescent Consortium to aid benchmarking and purchasing decisions;
- undertaking a staffing review to ensure each teacher is delivering maximum contact time.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Bungay High School for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

- which are reviewed and agreed by the board of trustees;
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided to appoint an accountant, Christine Johnson who is a Governor as internal auditor.

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

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

She is assisted by Schools' Choice, an external organisation which performs system and audit checks on a termly basis and provides detailed reports. All reports have been delivered as planned and grade the Academy as "Outstanding" with no material changes required.

REVIEW OF EFFECTIVENESS

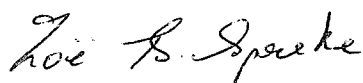
As accounting officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- the work of the external auditors;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance Committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 1 December 2015 and signed on its behalf, by:

Zoe Sprake
Chair of Trustees



Angelo Goduti
Accounting Officer



BUNGAY HIGH SCHOOL
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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

Angelo Goduti
Accounting Officer



Date: 1 December 2015

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

GOVERNORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

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

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


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

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 the group 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 and the group applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from EFA/DfE have been applied for the purposes intended.

The Governors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable group'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 board of trustees on 1 December 2015 and signed on its behalf by:



Zoe Sprake
Chair of Trustees

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BUNGAY HIGH SCHOOL

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

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

RESPECTIVE RESPONSIBILITIES OF GOVERNORS AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

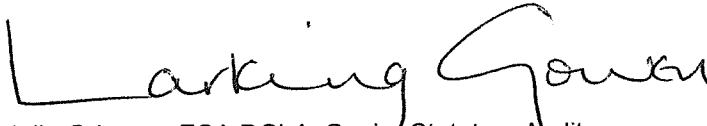
BUNGAY HIGH SCHOOL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BUNGAY HIGH SCHOOL

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- the parent charitable academy has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable academy financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Julie Grimmer FCA DChA, Senior Statutory Auditor

for and on behalf of

Larking Gowen

Chartered Accountants
Statutory Auditors

1 Claydon Business Park
Great Blakenham
Ipswich
Suffolk
IP6 0NL
16 December 2015

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO BUNGAY HIGH SCHOOL AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 31 July 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Bungay High School during the year 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

RESPECTIVE RESPONSIBILITIES OF BUNGAY HIGH SCHOOL'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Bungay High School's funding agreement with the Secretary of State for Education dated 26 July 2011, and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

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

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

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

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

The work undertaken to draw our conclusion includes:

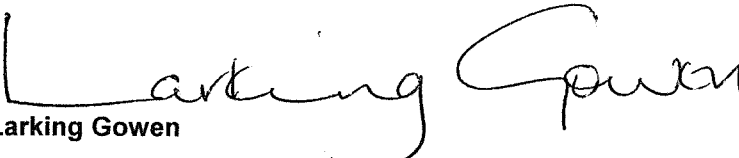
- Enquiry of senior management and the Academy's Governors.
- Inspection and review of the accounting records, meeting minutes, internal control procedures, management representations and declarations of interest.
- Observation and re-performance of the financial controls.
- Review of the results of the Academy's process of independent checking of financial controls, systems, transactions and risks.

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO BUNGAY
HIGH SCHOOL AND THE EDUCATION FUNDING AGENCY (continued)**

CONCLUSION

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



Larking Gowen

Chartered Accountants
Statutory Auditors

1 Claydon Business Park
Great Blakenham
Ipswich
Suffolk
IP6 0NL

16 December 2015

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	<i>As restated</i> <i>Total</i> <i>funds</i> <i>2014</i> <i>£</i>
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	3	87,813	5,559	-	93,372	204,380
Activities for generating funds	4	524,706	(345)	-	524,361	574,565
Investment income	5	5,382	-	-	5,382	6,604
Incoming resources from charitable activities	6	658	6,609,296	28,334	6,638,288	7,974,531
Other incoming resources	7	-	-	-	-	222,642
TOTAL INCOMING RESOURCES		618,559	6,614,510	28,334	7,261,403	8,982,722
RESOURCES EXPENDED						
Costs of generating funds:						
Costs of generating voluntary income		42	-	-	42	108
Fundraising expenses and other costs		15,870	-	-	15,870	27,768
Charitable activities		527,181	6,617,223	588,494	7,732,898	7,694,987
Governance costs	11	3,671	19,409	-	23,080	25,256
TOTAL RESOURCES EXPENDED	8	546,764	6,636,632	588,494	7,771,890	7,748,119
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		71,795	(22,122)	(560,160)	(510,487)	1,234,603

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	<i>As restated</i> <i>Total</i> <i>funds</i> <i>2014</i> <i>£</i>
Transfers between Funds	20	(25,594)	(126,372)	151,966	-	-
NET INCOME / (EXPENDITURE) FOR THE YEAR		46,201	(148,494)	(408,194)	(510,487)	1,234,603
Actuarial gains and losses on defined benefit pension schemes		-	(28,000)	-	(28,000)	(214,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		46,201	(176,494)	(408,194)	(538,487)	1,020,603
<i>Total funds at 1 September 2014</i>		434,627	(94,235)	21,885,074	22,225,466	21,189,650
Prior year adjustment		-	(15,213)	-	(15,213)	-
TOTAL FUNDS AT 31 AUGUST 2015		480,828	(285,942)	21,476,880	21,671,766	22,210,253

All activities relate to continuing operations.

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

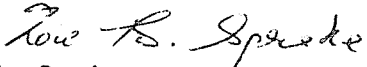
The notes on pages 25 to 48 form part of these financial statements.

BUNGAY HIGH SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 07698578

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	As restated 2014 £
FIXED ASSETS					
Tangible assets	16		21,440,060		21,218,354
CURRENT ASSETS					
Stocks	17	10,552		8,153	
Debtors	18	116,191		1,042,584	
Cash at bank and in hand		<u>1,236,018</u>		<u>997,879</u>	
		1,362,761		2,048,616	
CREDITORS: amounts falling due within one year	19	<u>(475,055)</u>		<u>(449,717)</u>	
NET CURRENT ASSETS			<u>887,706</u>		<u>1,598,899</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>22,327,766</u>		<u>22,817,253</u>
Defined benefit pension scheme liability	28	<u>(656,000)</u>		<u>(607,000)</u>	
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u>21,671,766</u>		<u>22,210,253</u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	20	370,058		497,552	
Restricted fixed asset funds	20	<u>21,476,880</u>		<u>21,885,074</u>	
Restricted funds excluding pension liability		<u>21,846,938</u>		<u>22,382,626</u>	
Pension reserve		<u>(656,000)</u>		<u>(607,000)</u>	
Total restricted funds			<u>21,190,938</u>		<u>21,775,626</u>
Unrestricted funds	20		<u>480,828</u>		<u>434,627</u>
TOTAL FUNDS			<u>21,671,766</u>		<u>22,210,253</u>

The financial statements were approved by the Governors, and authorised for issue, on 1 December 2015 and are signed on their behalf, by:


Zoe Sprake
Chair of Trustees

The notes on pages 25 to 48 form part of these financial statements.

BUNGAY HIGH SCHOOL
(A company limited by guarantee)
REGISTERED NUMBER: 07698578

ACADEMY BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	As restated 2014 £
FIXED ASSETS				
Tangible assets	16		21,306,203	21,073,223
CURRENT ASSETS				
Stocks	17	7,583		8,153
Debtors	18	113,258		1,034,259
Cash at bank and in hand		1,156,288		898,029
			<u>1,277,129</u>	<u>1,940,441</u>
CREDITORS: amounts falling due within one year	19	(469,845)		(445,057)
NET CURRENT ASSETS			<u>807,284</u>	<u>1,495,384</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>22,113,487</u>	<u>22,568,607</u>
Defined benefit pension scheme liability	28	(656,000)		(607,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u>21,457,487</u>	<u>21,961,607</u>
FUNDS OF THE ACADEMY				
Restricted funds:				
Restricted funds	20	335,387		442,765
Restricted fixed asset funds	20	21,338,523		21,735,443
Restricted funds excluding pension asset		21,673,910		22,178,208
Pension reserve		(656,000)		(607,000)
Total restricted funds			<u>21,017,910</u>	<u>21,571,208</u>
Unrestricted funds	20		<u>439,577</u>	<u>390,399</u>
TOTAL FUNDS			<u>21,457,487</u>	<u>21,961,607</u>

The financial statements were approved by the Governors, and authorised for issue, on 1 December 2015 and are signed on their behalf, by:

Zoe B. Sprake

Zoe Sprake
Chair of Trustees

The notes on pages 25 to 48 form part of these financial statements.

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	22	1,048,339	(7,825)
Returns on investments and servicing of finance	23	-	6,604
Capital expenditure and financial investment	23	(810,200)	383,072
INCREASE IN CASH IN THE YEAR		<u>238,139</u>	<u>381,851</u>

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

	2015 £	2014 £
Increase in cash in the year	<u>238,139</u>	<u>381,851</u>
MOVEMENT IN NET FUNDS IN THE YEAR	<u>238,139</u>	<u>381,851</u>
Net funds at 1 September 2014	997,879	616,028
NET FUNDS AT 31 AUGUST 2015	<u>1,236,018</u>	<u>997,879</u>

The notes on pages 25 to 48 form part of these financial statements.

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historic cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014/15 issued by the EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

The Statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the academy and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the academy alone as permitted by section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

1.2 Going concern

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

1.3 Incoming resources

All incoming resources are recognised when the academy trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants receivable

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the Restricted General Fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grants are reflected in the balance in the Restricted Fixed Asset Fund.

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

Donations

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

Other income

Other income, including the the hire of facilities, is recognised in the period it is receivable and to the extent the goods have been provided or on completion of the service.

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

Donated services and gifts in kind

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

1.4 Resources expended

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

Costs of generating funds

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

Charitable activities

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

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

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

These are the costs incurred on the academy trust's educational operations.

Governance costs

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meeting and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.5 Tangible fixed assets and depreciation

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. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and are carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy's depreciation policy.

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

Buildings on 125 year lease	-	2%
Building improvements higher depreciation	-	10%
Buildings on 20 year lease	-	5%
Plant and machinery	-	15%
Fixtures and fittings	-	15%
Computer equipment	-	25%

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use. 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 assets 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.

1.6 Leased assets

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

1.7 Investments

The NSSA does not have a share capital, it is a subsidiary due to control.

1.8 Stocks

Unsold subject sales and printing items are valued at the lower of cost and net realisable value.

1.9 Taxation

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

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.10 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 28, the TPS is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

1.11 Fund accounting

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

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

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

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

1.12 Agency Arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from EFA. Payments are received from EFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 26.

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

2. PRIOR YEAR ADJUSTMENT

In the previous years consolidated financial statements the property leased by North Suffolk Skills Academy Limited was accounted for by inclusion on the consolidated balance sheet at the value of the asset at inception of the lease and a liability for deferred grant income.

In order to properly reflect the terms of occupation as an operating lease with nil annual charge, the property and related liability have been removed from the balance sheet and instead, a donation in kind and rent charge at estimated market value of £80,000 have been recognised within the consolidated statement of financial activities.

In previous periods, 16-19 Bursary balances were accounted for in restricted funds. Following a clarification in the Academies Accounts Direction 2014 to 2015, these are now treated as an agency arrangement, and related income, expenditure and restricted fund balances have been removed from the financial statements. Restricted funds brought forward have been reduced by £15,213.

3. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	<i>As restated Total funds 2014 £</i>
Bungay Grammar School Trust	-	5,559	5,559	<i>2,000</i>
Other voluntary income	7,813	-	7,813	<i>122,380</i>
Supply of NSSA premises	80,000	-	80,000	<i>80,000</i>
	<hr/>	<hr/>	<hr/>	<hr/>
Voluntary income	87,813	5,559	93,372	<i>204,380</i>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

North Suffolk Skills Academy Limited occupies premises owned by Suffolk County Council under the terms of a lease of 20 years duration with no charge. An annual donation of £80,000 and equivalent rental charges are included within the Statement of Financial Activities to represent market value of this facility.

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

4. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	<i>As restated</i> Total funds 2014 £
Insurance claims	2,932	(500)	2,432	21,649
Items sold	18,726	70	18,796	21,314
Hire of facilities	11,423	85	11,508	16,002
Fundraising	538	-	538	5,562
Academy trips	121,000	-	121,000	99,323
Catering income	159,290	-	159,290	170,388
Income from services provided	157,040	-	157,040	172,626
Income from leases to providers	53,757	-	53,757	66,647
Income from SCC lettings	-	-	-	1,054
	<u>524,706</u>	<u>(345)</u>	<u>524,361</u>	<u>574,565</u>

5. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	<i>As restated</i> Total funds 2014 £
Bank interest	5,382	-	5,382	6,604
	<u>5,382</u>	<u>-</u>	<u>5,382</u>	<u>6,604</u>

6. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	<i>As restated</i> Total funds 2014 £
Funding for the academy's educational activities	658	6,637,630	6,638,288	7,974,531
	<u>658</u>	<u>6,637,630</u>	<u>6,638,288</u>	<u>7,974,531</u>

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	<i>As restated</i> Total funds 2014 £
DfE/EFA grants				
Capital grants	-	28,334	28,334	1,011,907
General annual grant	-	6,238,314	6,238,314	6,525,415
Pupil premium	-	219,787	219,787	248,200
	<u>-</u>	<u>6,486,435</u>	<u>6,486,435</u>	<u>7,785,522</u>
Other government grants				
SCC teacher pay grant	-	-	-	12,701
SCC salary safeguarding	59	62,594	62,653	74,513
SCC high needs SEN	-	65,133	65,133	69,500
British Council Comenius Project	-	3,825	3,825	8,186
SCC raising the participation age	-	-	-	11,236
Looked after children & Other grants	599	19,643	20,242	12,373
SCC school organisations review start up	-	-	-	500
	<u>658</u>	<u>151,195</u>	<u>151,853</u>	<u>189,009</u>
	<u>658</u>	<u>6,637,630</u>	<u>6,638,288</u>	<u>7,974,531</u>

7. OTHER INCOMING RESOURCES

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	<i>As restated</i> Total funds 2014 £
Transfer from local authority on conversion	-	-	-	222,642
	<u>-</u>	<u>-</u>	<u>-</u>	<u>222,642</u>

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

8. RESOURCES EXPENDED

	Staff costs	Non Pay Premises	Expenditure Other costs	Total	<i>As restated Total</i>
	2015	2015	2015	2015	2014
	£	£	£	£	£
Costs of generating funds:					
Cost of generating voluntary income	-	-	42	42	108
Cost of activities for generating funds	-	-	15,870	15,870	27,768
Charitable activities:					
Direct costs	4,463,576	668,694	806,120	5,938,390	5,914,276
Support costs	970,487	468,201	355,820	1,794,508	1,780,711
Governance costs	-	-	23,080	23,080	25,256
	<u>5,434,063</u>	<u>1,136,895</u>	<u>1,200,932</u>	<u>7,771,890</u>	<u>7,748,119</u>

9. DIRECT COSTS

	Activities	Total	<i>As restated Total</i>
	£	2015 £	2014 £
Pension income	3,000	3,000	6,000
Educational supplies	208,875	208,875	195,096
Examination fees	130,510	130,510	127,360
Staff development	16,954	16,954	17,675
Technology costs	32,870	32,870	31,251
Depreciation	588,494	588,494	553,475
Educational consultancy	12,650	12,650	16,990
Other direct costs	401,462	401,462	351,610
Notional rent cost of NSSA building	80,000	80,000	80,000
Wages and salaries	3,689,581	3,689,581	3,755,740
National insurance	282,063	282,063	285,870
Pension cost	491,931	491,931	493,209
	<u>5,938,390</u>	<u>5,938,390</u>	<u>5,914,276</u>

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

10. SUPPORT COSTS

	Activities	Total	<i>As restated</i>
	£	2015	<i>Total</i>
		£	<i>2014</i>
			£
Technology costs	43,391	43,391	64,286
Maintenance of premises	184,904	184,904	219,578
Catering	98,373	98,373	109,349
Recruitment and support	10,388	10,388	17,980
Bank charges	81	81	32
Travel and subsistence	17,182	17,182	8,015
Cleaning	149,704	149,704	136,056
Energy costs	88,819	88,819	96,109
Rent and rates	45,274	45,274	45,849
Insurance	55,012	55,012	72,052
Other support costs	130,893	130,893	103,251
Wages and salaries	758,429	758,429	747,996
National insurance	40,950	40,950	37,885
Pension cost	171,108	171,108	122,273
	<u>1,794,508</u>	<u>1,794,508</u>	<u>1,780,711</u>

11. GOVERNANCE COSTS

	Unrestricted	Restricted	Total	<i>As restated</i>
	funds	funds	funds	<i>Total</i>
	2015	2015	2015	<i>funds</i>
	£	£	£	<i>2014</i>
				£
Auditors' remuneration	3,030	16,803	19,833	10,300
Legal and professional fees	641	2,606	3,247	14,956
	<u>3,671</u>	<u>19,409</u>	<u>23,080</u>	<u>25,256</u>

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

12. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015	<i>As restated</i>
	£	2014
		£
Depreciation of tangible fixed assets: - owned by the charitable group	588,494	552,390
Audit remuneration	6,750	-
Other remuneration to auditor	4,250	-
Auditors' remuneration to former auditors	8,833	10,300
Operating lease rentals: - plant and machinery	29,425	29,425
	 	

13. STAFF

a. Staff costs

Staff costs were as follows:

	2015	<i>2014</i>
	£	£
Wages and salaries	4,396,119	4,447,513
Social security costs	323,014	323,755
Other pension costs (Note 28)	663,039	615,482
	5,382,172	5,386,750
Supply teacher costs	51,891	56,223
	5,434,063	5,442,973

b. Staff numbers

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

	2015	<i>2014</i>
	No.	No.
Teachers	85	91
Administration and support	50	50
Management	8	8
	143	149

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

13. STAFF (continued)

c. Higher paid staff

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

	2015	<i>2014</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	2	<i>1</i>
In the band £70,001 - £80,000	0	<i>1</i>
In the band £80,001 - £90,000	1	<i>0</i>
	=====	=====

All of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2015 employer's pension contributions to these staff amounted to £29,886 (*2014: £19,816*)

14. GOVERNORS' REMUNERATION AND EXPENSES

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

	2015	2015	<i>2014</i>	<i>2014</i>
	Remuneration	Pension Contribution	<i>Remuneration</i>	<i>Pension Contribution</i>
	£	£	£	£
S O'Neil (Staff Governor)	-	-	30-35	0-5
B Charlish (Staff Governor)	-	-	10-15	0-5
N Brunsdon (Staff Governor)	45-50	5-10	45-50	5-10
A Barker (Staff Governor)	35-40	-	35-40	5-10
C Wiltshire (Staff Governor)	65-70	10-15	55-60	10-15
A Goduti (Staff Governor)	80-85	10-15	-	-
M Attenburrow (Staff Governor)	60-65	5-10	60-65	5-10

No governors were reimbursed for expenses incurred, other than as part of their normal employment duties.

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

15. GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy Trust 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 £1,000,000 on any one claim and the cost for the year ended 31 August 2015 was £1,362 (2014 - £1,002). The cost of this insurance is included in the total insurance cost.

Other transactions with governors are disclosed in note 30.

16. TANGIBLE FIXED ASSETS

Group	L/Term Leasehold Property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2014 (as previously stated)	23,737,310	248,172	72,777	303,323	24,361,582
Prior year adjustment	(1,712,812)	-	-	-	(1,712,812)
At 1 September 2014 (as restated)	22,024,498	248,172	72,777	303,323	22,648,770
Additions	718,685	14,594	11,112	65,809	810,200
At 31 August 2015	22,743,183	262,766	83,889	369,132	23,458,970
Depreciation					
At 1 September 2014 (as previously stated)	1,276,932	45,856	29,430	163,838	1,516,056
Prior year adjustment	(85,640)	-	-	-	(85,640)
At 1 September 2014 (as restated)	1,191,292	45,856	29,430	163,838	1,430,416
Charge for the year	476,116	38,077	11,345	62,956	588,494
At 31 August 2015	1,667,408	83,933	40,775	226,794	2,018,910
Net book value					
At 31 August 2015	21,075,775	178,833	43,114	142,338	21,440,060
At 31 August 2014 (as restated)	20,833,206	202,316	43,347	139,485	21,218,354

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

Academy	L/Term Leasehold Property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2014	22,020,396	86,874	72,777	300,786	22,480,833
Additions	718,685	-	11,112	65,809	795,606
At 31 August 2015	<u>22,739,081</u>	<u>86,874</u>	<u>83,889</u>	<u>366,595</u>	<u>23,276,439</u>
Depreciation					
At 1 September 2014	1,191,292	23,503	29,430	163,385	1,407,610
Charge for the year	476,116	12,843	11,345	62,322	562,626
At 31 August 2015	<u>1,667,408</u>	<u>36,346</u>	<u>40,775</u>	<u>225,707</u>	<u>1,970,236</u>
Net book value					
At 31 August 2015	<u>21,071,673</u>	<u>50,528</u>	<u>43,114</u>	<u>140,888</u>	<u>21,306,203</u>
At 31 August 2014	<u>20,829,104</u>	<u>63,371</u>	<u>43,347</u>	<u>137,401</u>	<u>21,073,223</u>

17. STOCKS

	Group		Academy	
	2015 £	2014 £	2015 £	2014 £
Finished goods and goods for resale	10,552	8,153	7,583	8,153

18. DEBTORS

	Group		Academy	
	2015 £	As restated 2014 £	2015 £	As restated 2014 £
Trade debtors	-	-	2,250	-
Other debtors	35,229	137,739	35,229	137,739
Prepayments and accrued income	80,962	904,845	75,779	896,520
	<u>116,191</u>	<u>1,042,584</u>	<u>113,258</u>	<u>1,034,259</u>

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

19. CREDITORS:
Amounts falling due within one year

	Group		Academy	
	2015	<i>As restated</i> 2014	2015	<i>As restated</i> 2014
	£	£	£	£
Trade creditors	95,028	308,362	94,147	305,202
Other taxation and social security	93,777	-	93,777	-
Other creditors	97,074	15,213	97,074	15,213
Accruals and deferred income	189,176	126,142	184,847	124,642
	<u>475,055</u>	<u>449,717</u>	<u>469,845</u>	<u>445,057</u>

20. STATEMENT OF FUNDS

	Brought Forward	Incoming resources	Resources Expended	Transfers in/out	Gains/ (Losses)	Carried Forward
	£	£	£	£	£	£
Unrestricted funds						
Unrestricted funds	405,612	409,941	(364,974)	(11,000)	-	439,579
NSSA Subsidiary	29,015	208,618	(181,790)	(14,594)	-	41,249
	<u>434,627</u>	<u>618,559</u>	<u>(546,764)</u>	<u>(25,594)</u>	<u>-</u>	<u>480,828</u>
Restricted funds						
General Annual Grant (GAG)	379,998	6,232,469	(6,060,449)	(302,372)	-	249,646
Other DfE/EFA Grants	39,573	219,787	(173,675)	(12,000)	-	73,685
Other Restricted Funds	7,981	162,254	(158,179)	-	-	12,056
NSSA Subsidiary	70,000	-	(35,329)	-	-	34,671
Pension reserve	(607,000)	-	(209,000)	188,000	(28,000)	(656,000)
	<u>(109,448)</u>	<u>6,614,510</u>	<u>(6,636,632)</u>	<u>(126,372)</u>	<u>(28,000)</u>	<u>(285,942)</u>

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

20. STATEMENT OF FUNDS (continued)

Restricted fixed asset funds

DfE/EFA Capital Grants	1,651,668	28,334	(68,925)	-	-	1,611,077
Capital Expenditure from GAG	293,689	-	(50,716)	137,372	-	380,345
Unrestricted Fund Assets	(9,717)	-	(9,717)	-	-	(19,434)
Other Capital Income	19,757,819	-	(432,769)	-	-	19,325,050
Private Sector Sponsorship	39,615	-	-	-	-	39,615
Restricted Funds	2,369	-	(499)	-	-	1,870
NSSA Subsidiary	149,631	-	(25,868)	14,594	-	138,357
	<u>21,885,074</u>	<u>28,334</u>	<u>(588,494)</u>	<u>151,966</u>	<u>-</u>	<u>21,476,880</u>
Total restricted funds	<u>21,775,626</u>	<u>6,642,844</u>	<u>(7,225,126)</u>	<u>25,594</u>	<u>(28,000)</u>	<u>21,190,938</u>
Total of funds	<u><u>22,210,253</u></u>	<u><u>7,261,403</u></u>	<u><u>(7,771,890)</u></u>	<u><u>-</u></u>	<u><u>(28,000)</u></u>	<u><u>21,671,766</u></u>

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

Restricted General Funds comprise revenue funds from the EFA in respect of student allocations, pension reserves for the Local Government Pension Scheme, and Restricted funds for specific purposes as follows:

Pupil Premium Funding £73,683
Other Government Grants £9,616
SCC Salary Safeguarding £2,444

During the year transfers between funds were made as follows:

- From GAG, Other EFA grants and unrestricted funds to the Pension reserve in respect of pension charges;
- From GAG to fixed asset funds in respect of asset purchases.

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

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	434,627	618,559	(546,764)	(25,594)	-	480,828
Restricted funds	(109,448)	6,614,510	(6,636,632)	(126,372)	(28,000)	(285,942)
Restricted fixed asset funds	21,885,074	28,334	(588,494)	151,966	-	21,476,880
	<u>22,210,253</u>	<u>7,261,403</u>	<u>(7,771,890)</u>	<u>-</u>	<u>(28,000)</u>	<u>21,671,766</u>

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	As restated Total funds 2014 £
Tangible fixed assets	-	-	21,440,061	21,440,061	21,218,356
Current assets	480,828	845,115	36,819	1,362,762	2,048,615
Creditors due within one year	-	(475,057)	-	(475,057)	(449,718)
Provisions for liabilities and charges	-	(656,000)	-	(656,000)	(607,000)
	<u>480,828</u>	<u>(285,942)</u>	<u>21,476,880</u>	<u>21,671,766</u>	<u>22,210,253</u>

22. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources before revaluations	(510,487)	1,234,603
Returns on investments and servicing of finance	-	(6,604)
Fixed assets transferred from Local Authorities	-	(222,641)
Depreciation of tangible fixed assets	588,494	638,031
Capital grants from DfE	-	(1,011,907)
Increase in stocks	(2,399)	(1,173)
Decrease/(increase) in debtors	926,393	(921,743)
Increase in creditors	25,338	292,609
FRS 17 adjustments	21,000	(9,000)
Net cash inflow/(outflow) from operations	<u>1,048,339</u>	<u>(7,825)</u>

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

23. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest paid	-	6,604
	-	6,604
	2015 £	2014 £
Capital expenditure and financial investment		
Purchase of intangible fixed assets	(810,200)	(634,870)
Sale of tangible fixed assets	-	6,035
Capital grants from DfE	-	1,011,907
	(810,200)	383,072

24. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	997,879	238,139	-	1,236,018
Net funds	997,879	238,139	-	1,236,018

25. 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 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.

26. AGENCY ARRANGEMENTS

The academy trust distributes 16-19 bursary funds to students as an agent for EFA. In the accounting period ending 31 August 2015 the trust received £31,853 and disbursed £32,907 from the fund. An amount of £14,161 is included in other creditors relating to undistributed funds that are repayable to EFA.

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

27. CAPITAL COMMITMENTS

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

	2015	2014
	£	£
Contracted for but not provided in these financial statements	-	741,570

28. PENSION COMMITMENTS

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

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%));
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

28. PENSION COMMITMENTS (continued)

- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

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

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £232,000, of which employer's contributions totalled £188,000 and employees' contributions totalled £44,000. The agreed contribution rates for future years are 25.5% for employers and 6.25 % for employees.

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

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £	<i>Expected return at 31 August 2014 %</i>	<i>Fair value at 31 August 2014 £</i>
Equities	3.70	856,000	<i>6.40</i>	<i>698,000</i>
Bonds	3.70	268,000	<i>3.40</i>	<i>215,000</i>
Property	3.70	140,000	<i>4.50</i>	<i>103,000</i>
Cash	3.70	13,000	<i>3.30</i>	<i>10,000</i>
Total market value of assets		1,277,000		<i>1,026,000</i>
Present value of scheme liabilities		(1,933,000)		<i>(1,633,000)</i>
(Deficit)/surplus in the scheme		(656,000)		<i>(607,000)</i>

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

28. PENSION COMMITMENTS (continued)

The amounts recognised in the Balance sheet are as follows:

	2015	<i>2014</i>
	£	£
Present value of funded obligations	(1,933,000)	<i>(1,633,000)</i>
Fair value of scheme assets	1,277,000	<i>1,026,000</i>
	<hr/>	<hr/>
Net liability	(656,000)	<i>(607,000)</i>
	<hr/> <hr/>	<hr/> <hr/>

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

	2015	<i>2014</i>
	£	£
Interest on obligation	(65,000)	<i>(62,000)</i>
Expected return on scheme assets	62,000	<i>56,000</i>
	<hr/>	<hr/>
Total	(3,000)	<i>(6,000)</i>
	<hr/> <hr/>	<hr/> <hr/>

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

	2015	<i>2014</i>
	£	£
Opening defined benefit obligation	1,633,000	<i>1,261,000</i>
Interest cost	65,000	<i>62,000</i>
Contributions by scheme participants	44,000	<i>39,000</i>
Actuarial Losses	10,000	<i>151,000</i>
Current service costs	206,000	<i>156,000</i>
Benefits paid	(25,000)	<i>(36,000)</i>
	<hr/>	<hr/>
Closing defined benefit obligation	1,933,000	<i>1,633,000</i>
	<hr/> <hr/>	<hr/> <hr/>

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

28. PENSION COMMITMENTS (continued)

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

	2015	<i>2014</i>
	£	<i>£</i>
Opening fair value of scheme assets	1,026,000	<i>859,000</i>
Expected return on assets	62,000	<i>56,000</i>
Actuarial gains and (losses)	(18,000)	<i>(63,000)</i>
Contributions by employer	188,000	<i>171,000</i>
Contributions by employees	44,000	<i>39,000</i>
Benefits paid	(25,000)	<i>(36,000)</i>
	1,277,000	<i>1,026,000</i>

The cumulative amount of actuarial gains and losses recognised in the Consolidated statement of total recognised gains and losses was losses of £306,000 (2014: losses £278,000)

The group expects to contribute £186,000 to its Defined benefit pension scheme in 2016.

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

	2015	<i>2014</i>
Equities	67.00 %	<i>68.00 %</i>
European bonds	21.00 %	<i>21.00 %</i>
Property	11.00 %	<i>10.00 %</i>
Cash	1.00 %	<i>1.00 %</i>

Principal Actuarial Assumptions

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

	2015	<i>2014</i>
Discount rate for scheme liabilities	3.70 %	<i>3.70 %</i>
Rate of increase in salaries	4.50 %	<i>4.40 %</i>
Rate of increase for pensions in payment / inflation	2.60 %	<i>2.60 %</i>
Inflation assumption (CPI)	3.70 %	<i>5.50 %</i>

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

	2015	<i>2014</i>
Retiring today		
Males	22.4	<i>22.4</i>
Females	24.4	<i>24.2</i>
Retiring in 20 years		
Males	24.3	<i>24.3</i>
Females	26.9	<i>26.9</i>

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

28. PENSION COMMITMENTS (continued)

The history of experience adjustments is as follows:

	2015 £	2014 £	2013 £
Defined benefit obligation	(1,933,000)	(1,633,000)	(1,169,000)
Scheme assets	1,277,000	1,026,000	797,000
Deficit	<u>(656,000)</u>	<u>(607,000)</u>	<u>(372,000)</u>
Experience adjustments on scheme liabilities	(10,000)	(151,000)	59,000
Experience adjustments on scheme assets	<u>(18,000)</u>	<u>(63,000)</u>	<u>(61,000)</u>

29. OPERATING LEASE COMMITMENTS

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

Group	2015 £	2014 £
Expiry date:		
Within 1 year	113	13,304
Between 2 and 5 years	14,168	1,832
After more than 5 years	<u>15,144</u>	<u>4,836</u>

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

Academy		
Expiry date:		
Within 1 year	-	12,860
Between 2 and 5	14,168	1,832
After more than 5 years	<u>15,144</u>	<u>4,836</u>

30. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a governors has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures. Transactions with Governors were as follows:

C Johnson, Governor and RO in respect of liason with feeder Primary Schools £12,000 (2014: £13,075)
B Cloke, Governor and Chair of Finance Committee in respect of Exam Invigilation £480 (2014: £592)
R Bacon, Governor of NSSA in respect of set up costs £nil (2014: £530)

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

30. RELATED PARTY TRANSACTIONS (continued)

31. PARENT AND SUBSIDIARY CHARITIES

The principal subsidiary is:

Company name	Percentage Shareholding
North Suffolk Skills Academy	100%

The results and balance sheet of North Suffolk Skills Academy are summarised as follows:

	2015 £	2014 £
Total incoming resources	208,618	525,322
Total resources expended	(242,987)	(276,676)
Deficit	(34,369)	248,646

	2015 £	2014 £
Assets	221,740	253,306
Liabilities	(7,463)	(4,660)
Net assets	214,277	248,646

The Statement of Financial Activities of Bungay High School is summarised as follows:

	2015 £	<i>As restated</i> 2014 £
Total incoming resources	7,184,218	8,563,162
Total resources expended	(7,662,587)	(7,808,332)
Deficit before revaluations	(478,369)	754,830

BUNGAY HIGH SCHOOL
(A company limited by guarantee)

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

32. OTHER FINANCE INCOME

	2015	<i>2014</i>
	£	£
Expected return on pension scheme assets	62,000	<i>56,000</i>
Interest on pension scheme liabilities	(65,000)	<i>(62,000)</i>
	<hr/> (3,000) <hr/>	<hr/> <i>(6,000)</i> <hr/>