

Registered number: 07682819

THE COMMONWEAL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 AUGUST 2015

**THE COMMONWEAL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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THE COMMONWEAL SCHOOL
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/ TRUSTEES AND
ADVISERS
FOR THE PERIOD ENDED 31 AUGUST 2015

Trustees

J Bakker, Chair^{3,4}
P Clarke¹
K Defer, Headteacher^{1,3,4}
J K Evans³
E J Ford²
D M Mason, Chair of Curriculum^{2,4}
J D Robinson⁴
R J Shimwell, Vice Chair^{3,4}
D P Skinner, Chair of Finance and Planning^{1,4}
N Weaver, Staff Governor³
M Williams, Vice Chair^{1,4}
G A Williams, Staff Governor²
J Birnie²
S Busuttill (resigned 11 May 2015)²
A Edwards²
S W Grist (resigned 16 December 2014)¹
C O'Sullivan (resigned 10 February 2015)³
G Parmenter¹
L Whetman²
D Wilson³
A Fidan (appointed 29 June 2015)¹

¹ Finance and Planning committee

² Curriculum committee

³ Personnel and Student Welfare committee

⁴ Chairs' Coordinating Group

**Company registered
number** 07682819

**Principal and Registered
office** Old Town
The Mall
Swindon
Wiltshire
SN1 4JE

Accounting Officer K Defer

**Senior management
team**

K Defer, Headteacher & Accounting Officer
B Linnegar, Deputy Headteacher
P Battye, Assistant Headteacher
C Drew, Assistant Headteacher
J Matcham, Assistant Headteacher, Head of Sixth Form
S Cutler, Senior Teacher
V Johnson, Business Manager
L Pardy, Assistant Business Manager
L Forrester, Seconded to SMT- Senior Teacher

Independent auditors Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
16 Queen Square
Bristol
BS1 4NT

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

Administrative details (continued)

Bankers	Lloyds Bank Plc 5 High Street Swindon SN1 3EN
Solicitors	Stone King LLP 13 Queen Square Bath BA1 2HJ

**THE COMMONWEAL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 AUGUST 2015**

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the period ended 31 August 2015. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operated as an academy for pupils aged 11 to 19 in Academic Year 2014-2015. It had a pupil capacity of 1,450 and had a roll of 1,258 in September 2015.

The Commonweal School is a genuinely comprehensive 11 -19 mixed secondary school in the Old Town Community of Swindon. Students on role come from a diverse range of backgrounds, both socio-economically and linguistically with over 40 nationalities represented.

In September 2014 the school's Sixth Form opened, with approximately 100 students in Year 12 studying 31 A Levels.

The school has been oversubscribed for a number of years and has increased the PAN to 230 to accommodate some of the extra demand for places. LA forecasting figures confirm stable/rising student population over the coming decade. 2015 numbers confirm oversubscription of 40.

Shortly before Academy conversion in 2011 Ofsted judged the school outstanding overall. Following a February 2014 Ofsted inspection the school was judged to be good in all areas, under what was a significantly more challenging framework.

Offsite Provision Inspection

Students come from 4 principal wards, although the demography of the cohort is further complicated by 2 specialised units which draw from further afield, impacting on exam results, attendance and behaviour statistics.

As of September 2015, the school has;

- 19 students in the Physically Impaired Unit
- 27 students in the SPLD unit

The school's inclusivity is also reflected by the fact that it has 1 visually impaired student, 17 MSEND students and a number of students on the Autistic Spectrum on roll. In short the school has more students with Education Healthcare Plans than some designated special schools.

As of Summer Term 2015 there were 304 students receiving some form of intervention.

Students are drawn principally from 4 feeder schools within the designated catchment area: Lethbridge, Robert Le King, King William Street and Even Junior Schools. Smaller numbers of students are drawn from a further 36 schools. The school reserves up to 15 places per Year 7 cohort for students able to demonstrate genuine ability in the Performing Arts.

Matters of Note for 2014 -2015

- Solid set of GCSE results
- First set of AS results
- The new Sixth Form opened in September 2014, with the first cohort of Sixth Form students moving into Year 13 in September 2015.
- Refurbishment of the PI Unit to create The Hub – completed in early 2015.
- Finance: all statutory requirements met, with good financial controls and predicted stability of student numbers for the foreseeable future.

**THE COMMONWEAL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2015**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy. The Charitable Company is known as The Commonweal School.

The Trustees of The Commonweal School are also the directors of the Charitable Company for the purposes of company law.

Details of the Trustees who served throughout the period, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

Members' liability

Each member of the Charitable Company undertakes to contribute to the assets of the Company in the event of it being wound up while 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 they cease to be a member.

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy. The limit of this indemnity is £2,000,000.

TRUSTEES

Method of recruitment and appointment or election of Trustees

On 1 August 2011 the Trustees appointed all those Trustees that served the predecessor school to be Trustees of the newly formed Academy. These Trustees were appointed for a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process.

- Up to 10 Appointed Trustees who are appointed by members;
- Up to 7 Parent Trustees who are elected by Parents of registered students at the Academy (a minimum of 2 Parent Governors to be in office at any time);
- Up to 3 staff Trustees appointed by the school staff, including a minimum of one teacher and one support staff member; and
- The Headteacher who is treated for all purposes as being an ex officio Governor.

Trustees are appointed for a four year period, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2015

Policies and Procedures adopted for the Induction and Training of Trustees

The Academy has implemented a Trustee Recruitment, Induction and Training policy. This is available from the Clerk to the Trustees.

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

Organisational Structure

The Board of Trustees normally meets once each term. The Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are 4 committees as follows;

- Finance and Planning Committee - this meets once a term and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial and premises management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Internal Auditor and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee.
- Curriculum Committee - this meets once a term to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment and examinations.
- Personnel and Student Welfare Committee - this meets once a term to monitor, evaluate and review Academy policy, practice and performance in relation to staffing, including safeguarding of children.
- Chairs' Coordinating Group – this meets regularly between meetings of the Full Governing Body to coordinate agendas and discuss overarching issues related to school governance and management.

The following decisions are reserved to the Board of Trustees; to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chair and/or Vice Chair, to appoint the Headteacher and Clerk to the Trustees, to approve the Annual Development Plan and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Academy to the Headteacher and Senior Management Team (SMT). During the year the SMT comprised the Headteacher, Deputy Headteacher, three Assistant Headteachers, the Business Manager and two Senior Teachers. The SMT implement the policies laid down by the Trustees and report back to them on performance.

The Headteacher is the Accounting Officer.

Connected Organisations, including Related Party Relationships

The Academy has strong collaborative links with its feeder primary schools and also has an active Parent Teacher Association (PTA). There are no related parties which either control or significantly influence the decisions and operations of The Commonweal School.

The Headteacher and two of the Senior Management Team are trustees of the Charles Adam Prize Fund, a charity with the objective of raising funds, through investments, for the Academy's science facility. Further details on the Charles Adam Prize Fund are disclosed in Note 26 of these financial statements.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Academy is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school, offering a broad range of curriculum for pupils of different abilities, with a strong emphasis on the Performing Arts.

The aims of the Academy during the period ended 31 August 2015 are summarised below:

- To continue to raise the standard of educational attainment and achievement of all students;
- To provide a broad and balanced curriculum, including extra-curricular activities;
- To develop students as more effective learners;
- To enhance the tertiary provision and outcomes;
- To develop the Academy site so that it enables students to achieve their full potential;
- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- To improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- To maximise the number of students who achieve 5 A*-C GCSE grades including English and Maths;
- To provide value for money for the funds expended;
- To develop greater coherence, clarity and effectiveness in school systems;
- To comply with all appropriate statutory and curriculum requirements;
- To maintain close links with industry and commerce;
- To develop the Academy's capacity to manage change; and
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

At The Commonweal School we aim to get the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. The Academy is a community in which students, staff and parents should be part of a happy and caring environment.

**Objectives, Strategies and Activities
September 2014– August 2015**

1. Academic performance: maintaining progress towards achievement of targets; interventions; closing the gap (Boys)

- 5 A*-C including English & Maths: Target 62%, Achieved 60% (2014: 65%);
- 5 A*-G: Target 97%, Achieved 97% (2014: 98%);
- Best 8 GCSEs: Target 330 points, Achieved 312 points;
- English progress: Target 73% 3 + Levels / 36% 4 + Levels, Achieved 82% 3 + Levels / 39% 4 + Levels (2014:82% L3);
- Maths progress: Target 68% 3 + Levels / 32% 4 + Levels, Achieved 77% 3 + Levels / 34% 4 + Levels (2014:77% L3); and
- Closing the gap – 5 A*-C including English & Maths: Target 10%, Achieved 12%.

Objectives met: the results are provisional.

2. SEND

- Completion of The Hub;
- Implementation of the new Code of Practice; and
- Embedding of internal changes, new staff and TA deployments.

Objectives met: The Hub is now fully functional and being used for a variety of interventions. EHC plans and EH record processes are being embedded. Systems will continue to be rolled out over a number of years. New staff performing very well and support between SEND areas much improved.

3. Pastoral

- Revised DHOH role;
- Tutors – including C6
- Attendance: Target 95% Achieved 95.1% (2014: 95%);
- Pastoral data/Student Profile - ongoing;
- HOH/HOF liaison – in place and ongoing;
- Student Welfare Officer role;
- Pastoral Support Role – ongoing;
- Low level disruption - ongoing; and
- Responsibility mantra embedded – ongoing.

Objectives largely met: progress made in all aspects, but some areas ongoing (as noted above)

4. Teaching & Learning: issues arising out of the February 2014 Ofsted report

- Sharing Outstanding Teaching & Learning;
- Independent Learning;
- Literacy (across the curriculum);
- Differentiation;
- Q & A techniques;
- Homework; and
- Curriculum changes KS3-5.

Objectives largely met: The majority of objectives have been met through the new Toolkit, workshop groups and CPD. Homework will be phased into the 2015-16 plan, and curriculum changes will be ongoing.

5. Personnel

- Induction of new staff;
- CPD, including TDDs, external and internal courses;
- Performance Management;
- ITT/NQTs – done – 6 NQTs have all successfully completed their induction year;
- Staff Profile – ongoing : system in place for September 2015; and
- L & M support for new managers.

TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2015

Objectives met: a comprehensive induction programme has been put in place, as well as additional support for new managers. A robust performance management system linked performance to pay progression and fed into the School Development Plan. A wide range of CPD has taken place, including a cohort successfully completing the Emerging Leaders programme.

6. Sixth Form (C6):

- Systematic & accurate Monitoring & Evaluation;
- Embed outstanding Enrichment programme;
- Outstanding T & L through on-going CPD programme; and
- Ensure recruitment targets met for 2015/16.

Objectives met: a wide range of strategies have been employed to ensure good quality monitoring and evaluation within the Sixth Form. The enrichment programme has been successfully introduced with a wide range of core and additional activities. CPD has been varied, including a focus on developing independence. In September 2015 67 students started in Year 12.

7. Monitoring & Evaluation

- C6 Quality Assurance;
- Teaching & Learning observations;
- Thematic inspection, dependent upon need; and
- Ofsted update training.

Objectives met: close monitoring of C6 to ensure quality and consistency of teaching and learning approaches. All Heads of Faculty and C6 Management received Ofsted training. There was a focus on pupil premium and independent study during the usual teaching and learning review cycle.

8. Futures Thinking/Strategy;

- Ofsted preparation;
- Curriculum changes;
- Teaching School Alliance; and
- Multi Academy Trust / Sponsorship.

Objectives met: there was a highly successful thematic inspection on KS4 Alternative Provision in May 2015; focus will now be on the new Ofsted framework from September 2015. Work in place to support transition from A/S to A Levels and other curriculum changes. High level of input and influence to the Swindon TSA aims – representation on all groups working on 'Saving Swindon' initiatives. Exploration into MAT and Sponsorship options, with a decision to be made in September 2015.

9. Maintenance:

- Premises: buildings completed; ongoing work to secure funds for further development; making best use of existing spaces, work on the Premises Development Plan to provide long term strategic approach;
- ICT: enabling technology to support KS5 Computing courses, review and updating of whole-school ICT systems (e.g. communications, payments, cashless catering, print management), ongoing replacement of equipment to meet the school's needs;
- Cluster Group – transition arrangements; curriculum links; collaboration, with a real focus on developing closer links around Years 6 & 7, Business Managers and SEND; and
- XPA – arts in the community: another huge community programme as evidenced in XPA reports, Commonweal Matters and media.

Objectives met: details as above.

Public Benefit

The Trustees confirm that they have complied with the duty contained in the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

The Academy aims to advance for the public benefit, education in Swindon and the surrounding area. In particular, but without prejudice to the generality of the forgoing by estimating, maintaining, managing and development schools, offering a broad curriculum with a strong emphasis on, but in no way limited to the specialism of the Performing Arts. The Academy provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

As an Academy we have a duty to support other schools. The Academy's named school upon applying for Academy status was Lethbridge Primary School. We support this school through use of the Academy premises and specialist skills in all relevant areas, as identified through the Academy's Partnership Development Plan.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The Academy is in its fifth year of operation and has met the forecast number of students. Numbers are steadily increasing as the Sixth Form enters its second year of operation. The Academy is full in all year groups at 11-16 and has a waiting list in operation. The Academy is heavily oversubscribed. There were over 400 applicants for the 230 places available in Year 7.

Numbers in the Sixth Form are predicted to increase over time, with 93 students starting in Year 12 in September 2014 and 67 starting in September 2015.

Examination results for 2015 represented an improvement in GCSE results, with 60% of students gaining 5 or more A*-C grades including English and Maths (compared with 65% in 2014). This narrowly missed the FFT D target of 62%.

Especially worthy of note in 2015 were the English and Maths results. 75% of students achieved a grade C or higher in Maths and 71% in English. Yet again these were outstanding results, both in terms of overall grades and also in terms of the progress students made. They further out stripped the average grades that students obtain nationally.

Teaching and learning reviews have been undertaken in all subjects and priorities for the coming year will focus on:

- Independent study
- Closing the Pupil Premium gap
- Homework, marking and feedback

To ensure that standards are continually assessed, the Academy operates an intensive programme of Monitoring and Evaluation, which includes learning walks, lesson observations undertaken by the Department or Faculty Heads and the Senior Management Team and internal 'Ofsted' style subject inspections. All Heads of Faculty and Sixth Form managers have just received updated Ofsted training, with SMT trained in the previous year.

Fixed term exclusions were lower than in 2013 – 2014. One permanent exclusion was made. Student attendance remained high as a result of new procedures and sanctions put in place. The attendance rate was at 95.2% by the end of the year.

**THE COMMONWEAL SCHOOL
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**TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2015**

In May 2015 Ofsted inspected the Academies' offsite provision for KS4. The Trustees receive very positive feedback from the inspection team and the Chair of Trustees was able to report that the students are very well supported and achieve good GCSE results.

The Academy was last inspected by OFSTED in February 2014 and was judged to be Good in all areas.

During the year the Academy completed boiler and pipe replacement works in the gymnasium, using funding obtained through a Salix Loan from the EFA in 2013-14. A wide range of further minor works and improvements were undertaken in addition to these identified works.

Continuing professional development for staff has been very successful with the vast majority of staff participating in training programmes, all of which feed in to our School Development Plan.

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date, which are assessed against future requirements. Restricted (excluding the pension deficit and restricted fixed asset fund) and unrestricted reserves carried forward at the year end were £202,899 and £100,584 respectively.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for September 2015 were 1,258, an increase of 43 over 2014. It is anticipated that this number will continue to rise, especially as numbers in the Sixth Form increase towards its capacity of 300.

Another key financial performance indicator is staffing costs as a percentage of total revenue funding. For 2014-15 this was 81.7%, compared to 77.1% in 2013-14.

The following significant KPI's were set at the start of the year:

	Target	Actual	2013-2014
Total revenue income per student	£6,009	£6,447	£5,902
Ratio of staff costs to revenue income	83.9%	81.7%	77.1%
Ratio of GAG to total revenue income	86.9%	81.4%	82.7%

Going Concern

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

FINANCIAL REVIEW

Financial Review

Most of the Academy's income is obtained from the DfE via the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2015 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2015, total expenditure of £7,161,270 was covered by recurrent grant funding from the DfE, together with other incoming resources of £7,160,310. The excess of expenditure over income for the year (excluding restricted fixed asset funds) was £960.

**THE COMMONWEAL SCHOOL
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**TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2015**

At 31 August 2015 the net book value of fixed assets was £18,152,180 and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of the Academy.

Land and buildings were professionally valued on 31 August 2012 at £22,815,192. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

The Academy deficit on the Local Government Pension Scheme in respect of its support staff is detailed in Note 23 to the financial statements.

Key financial policies adopted or reviewed during the year include the major incident plan, governors' allowances, lettings and health and safety.

Trustees have adopted an Internal Audit policy and appointed Financial Services 4 Schools to undertake a programme of internal checks on financial controls. During the year, the Trustees received 3 reports from the Internal Auditor which contained no matters of significance.

Reserves Policy

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have reviewed the future plans of the Academy and decided to use reserves towards Sixth Form implementation, Condition Improvement Fund projects and the repayment of the Salix Loan.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

Investment Policy

Due to the nature of funding, the Academy may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Trustees has reviewed the major risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing the Academy are as follows:

Financial - the Academy has considerable reliance on continued Government funding through the EFA. In the last year 95% of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.

**THE COMMONWEAL SCHOOL
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**TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2015**

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing - the success of the Academy is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - The Academy has appointed a Responsible Officer to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

Financial and Risk Management Objectives and Policies

The Academy has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Academy. The register and plan are regularly reviewed in light of any new information and formally reviewed annually.

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

Whilst the Academy is over-subscribed, risks to revenue funding from a falling roll are small. However, the reduction in post 16 funding levels, the freeze on the Government's overall education budget, changes in funding arrangements for High Needs and increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

On conversion the Academy agreed to repay a loan to Swindon Borough Council. The Academy is confident it will be able to meet the capital repayments.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 24 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

PLANS FOR FUTURE PERIODS

The Academy will continue to strive to provide outstanding education and improve the levels of performance of its students at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

Following the successful opening of the Sixth Form the Academy is working hard to ensure the next year's cohort will exceed 120. In the meantime there will continue to be additional revenue costs associated with the programme, and hence the Board of Trustees plans to utilise the majority of existing reserves and any surplus from 2014/15 towards the successful implementation of year 2 of the Sixth Form. It is anticipated that increasing numbers will make the Sixth Form financially sustainable by 2016/17.

The Academy will continue to work with partner schools to improve the educational opportunities for students in the wider community. From September 2016 the school will collaborate with Swindon Town Football Club in the Community Trust (STFCC) to deliver a new Football Education Programme for up to 30 students per year group in the Sixth Form. The course will deliver the full range of A-Level and Vocational qualifications, alongside opportunities to train, compete and train under a professional football club.

Full details of our plans for the future are given in our Academy Development Plan which available from the Clerk to Trustees.

AUDITORS

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as company directors, on 30 November 2015 and signed on the board's behalf by:



Dr Jokie Bakker
Chair of Trustees

**THE COMMONWEAL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that The Commonweal 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 Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Commonweal 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 Trustees' report and in the Trustees' responsibilities statement. The Board of Trustees has formally met 6 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
J Bakker, Chair	5	6
P Clarke	5	6
K Defter, Headteacher	6	6
J K Evans	5	6
E J Ford	5	6
D M Mason, Chair of Curriculum	6	6
J D Robinson	2	6
R J Shimwell, Vice Chair	5	6
D P Skinner, Chair of Finance and Planning	6	6
N Weaver, Staff Governor	6	6
M Williams, Vice Chair	5	6
G A Williams, Staff Governor	6	6
J Birnie	6	6
S Busuttil	1	4
A Edwards	5	6
S W Grist	0	2
C O'Sullivan	1	3
G Parmenter	5	6
L Whetman	6	6
D Wilson	4	6
A Fidan	1	1

The Finance and Planning Committee is a sub-committee of the main Board of Trustees. Its purpose is to approve, monitor and review the school budget, implement premises maintenance and asset management plans, and to ensure that relevant health and safety standards are met in the school.

Issues that have been dealt with over the period included: review of the Risk Register and approval of the 2013-14 Trustee Report and Annual Accounts; approval of the 2015/16 budget; approval of selected suppliers for insurance, reprographics, and ICT system changes.

During the year A Fidan, who is a qualified accountant, joined the committee.

**THE COMMONWEAL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
G Parmenter	3	6
P Clarke	5	6
A Fidan	1	1
K Deffer	5	6
J Robinson	4	6
D Skinner	6	6
M Williams	4	6
S Grist	1	2

REVIEW OF VALUE FOR MONEY

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

The Accounting Officer considers how the 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:

- Insurance review - The Academy Trust reached the end of a 3 year insurance agreement at the end of July 2015. In advance of this date investigations were made into possible routes to procure appropriate insurance at a lower cost; options included collaboration with other schools, use of the RPA continuing with the existing brokerage system or use of a framework.
Outcome: Following presentation of an options analysis to the Finance and Planning Committee it was agreed to use Lot 1 of the ESPO framework, appointing a broker directly to approach insurance companies within the framework. This route led to a 28% cost saving compared to the previous year, whilst also providing a suitable level of cover.
- Reprographics leasing - June 2015 saw the end of a 5 year lease agreement with the existing supplier for all photocopiers within the 11-16 school. This was seen as a good opportunity to review numbers and specifications of copiers around the school in order to meet current and future needs. The Business Manager worked with ICT and Reprographics staff to draw up a detailed specification and Invitation to Tender. The school then invited all suppliers on a national framework to tender for the lease. Bids were assessed on the grounds of both quality of product and support and finance, hence ensuring that value for money could be achieved.
Outcome: Following assessment and moderation of submitted bids a new provider was selected who was able to provide considerably more advanced machines that would meet the school's print management aspirations at a significantly lower cost, providing the school with 54% savings compared to the previous contract.
- Review of ICT systems and software - The SMT requested a review into the various systems used to support academic and pastoral functions (e.g. communications with parents, payments for meals and trips, reporting, and parental engagement through the VLE). The review looked at both costs and appropriateness of each system and considered alternatives.
Outcome: The ICT Network Manager provided a recommendation that the separate communication and payment systems be replaced by a single alternative; this would also allow parents to view their child's details, hence removing the need for a VLE. Software savings would be £7,900 in the first year, and then a further £2,000 in the second year once the reporting system was replaced. Hence the school has saved nearly £10,000 over 2 years, whilst also providing parents with a simpler and more effective way to interact with the school and access their child's data. The recommendations were approved by Trustees to be implemented for September 2015.

GOVERNANCE STATEMENT (continued)

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Commonweal 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;
- regular reviews by the Finance and Planning 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 Financial Services 4 Schools 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.

On a quarterly 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. There were no significant matters of note identified from the reports carried out in the year.

GOVERNANCE STATEMENT (continued)

REVIEW OF EFFECTIVENESS

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

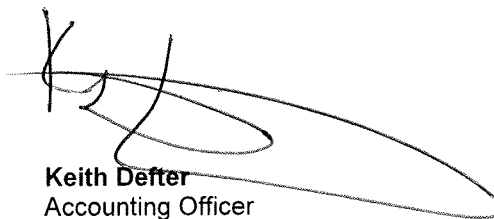
- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 30 November 2015 and signed on its behalf, by:



Dr Jokie Bakker
Chair of Trustees



Keith Deffer
Accounting Officer

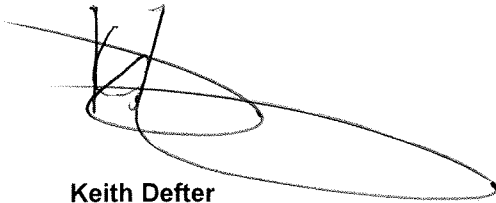
**THE COMMONWEAL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Commonweal 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.

A handwritten signature in black ink, appearing to read 'Keith Defter', is written over a horizontal line. The signature is stylized and includes a large, sweeping loop that extends to the right.

Keith Defter
Accounting Officer

Date: 30 November 2015

**THE COMMONWEAL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE PERIOD ENDED 31 AUGUST 2015**

The Trustees (who act as governors of The Commonweal School and are also the directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' report (including the 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 Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

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

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

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

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

Approved by order of the members of the Board of Trustees and signed on its behalf by:



Dr Jokie Bakker
Chair of Trustees

Date: 30 November 2015

**THE COMMONWEAL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE COMMONWEAL SCHOOL

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

This report is made solely to the Academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy's members 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 TRUSTEES AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' report, incorporating the Strategic report, for the financial period for which the financial statements are prepared is consistent with the financial statements.

THE COMMONWEAL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE COMMONWEAL 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:

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



Joseph Scaife FCA DChA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

16 Queen Square

Bristol

BS1 4NT

Date: 14/12/15

**THE COMMONWEAL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THE
COMMONWEAL SCHOOL AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 27 August 2013 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 The Commonweal School during the period 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 The Commonweal School and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Commonweal 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 The Commonweal School and EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF THE COMMONWEAL SCHOOL'S ACCOUNTING OFFICER AND THE
REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of The Commonweal School's funding agreement with the Secretary of State for Education dated 01 August 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 period 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.

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

THE COMMONWEAL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THE
COMMONWEAL 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 period 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.



Joseph Scaife FCA DChA (Reporting Accountant)

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
16 Queen Square
Bristol
BS1 4NT

Date: 14/12/15

THE COMMONWEAL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

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

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	49,405	36,861	-	86,266	22,784
Activities for generating funds	3	20,807	-	-	20,807	11,825
Investment income	4	818	-	-	818	1,138
Incoming resources from charitable activities		1,615	7,050,804	114,303	7,166,722	11,513,252
TOTAL INCOMING RESOURCES		72,645	7,087,665	114,303	7,274,613	11,548,999
RESOURCES EXPENDED						
Charitable activities	7,8	61,474	7,085,631	447,229	7,594,334	6,686,368
Governance costs	9	-	14,165	-	14,165	19,526
TOTAL RESOURCES EXPENDED	6	61,474	7,099,796	447,229	7,608,499	6,705,894
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS						
		11,171	(12,131)	(332,926)	(333,886)	4,843,105
Transfers between Funds	18	-	(75,752)	75,752	-	-
NET INCOME / (EXPENDITURE) FOR THE PERIOD						
		11,171	(87,883)	(257,174)	(333,886)	4,843,105
Actuarial gains and losses on defined benefit pension schemes		-	(14,000)	-	(14,000)	(538,000)
NET MOVEMENT IN FUNDS FOR THE PERIOD						
		11,171	(101,883)	(257,174)	(347,886)	4,305,105
Total funds at 1 September		89,413	(889,218)	17,657,830	16,858,025	12,552,920
TOTAL FUNDS AT 31 AUGUST		100,584	(991,101)	17,400,656	16,510,139	16,858,025

All of the Academy Trust's activities derive from continuing activities.

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

The notes on pages 27 to 45 form part of these financial statements.

THE COMMONWEAL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 07682819

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	14		18,152,080		18,360,358
CURRENT ASSETS					
Debtors	15	160,632		839,029	
Cash at bank and in hand		527,010		323,997	
			687,642	1,163,026	
CREDITORS: amounts falling due within one year	16	(370,431)		(733,935)	
NET CURRENT ASSETS			317,211		429,091
TOTAL ASSETS LESS CURRENT LIABILITIES			18,469,291		18,789,449
CREDITORS: amounts falling due after more than one year	17		(765,152)		(803,424)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY			17,704,139		17,986,025
Defined benefit pension scheme liability	24		(1,194,000)		(1,128,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			16,510,139		16,858,025
FUNDS OF THE ACADEMY					
Restricted funds:					
General funds	18	202,899		238,782	
Fixed asset funds	18	17,400,656		17,657,830	
Restricted funds excluding pension liability		17,603,555		17,896,612	
Pension reserve		(1,194,000)		(1,128,000)	
Total restricted funds			16,409,555		16,768,612
Unrestricted funds	18		100,584		89,413
TOTAL FUNDS			16,510,139		16,858,025

The financial statements were approved by the Trustees, and authorised for issue, on 30 November 2015 and are signed on their behalf, by:



Dr Jokie Bakker
Chair of Trustees

The notes on pages 27 to 45 form part of these financial statements.

THE COMMONWEAL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 AUGUST 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	20	289,349	(730,353)
Returns on investments and servicing of finance	21	818	1,138
Capital expenditure and financial investment	21	(53,882)	412,685
CASH INFLOW/(OUTFLOW) BEFORE FINANCING		236,285	(316,530)
Financing	21	(33,272)	25,728
INCREASE/(DECREASE) IN CASH IN THE YEAR		203,013	(290,802)

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT
FOR THE PERIOD ENDED 31 AUGUST 2015

	2015 £	2014 £
Increase/(Decrease) in cash in the year	203,013	(290,802)
Cash outflow from decrease in debt and lease financing	33,272	(25,728)
MOVEMENT IN NET DEBT IN THE YEAR	236,285	(316,530)
Net debt at 1 September 2014	(513,699)	(197,169)
NET DEBT AT 31 AUGUST 2015	(277,414)	(513,699)

The notes on pages 27 to 45 form part of these financial statements.

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

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in March 2005, the Academies Accounts Direction 2014/15 issued by the EFA, applicable accounting standards and the Companies Act 2006.

1.2 GOING CONCERN

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

1.3 FUND ACCOUNTING

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

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

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

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

1.4 INCOMING RESOURCES

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

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

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

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

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.

**THE COMMONWEAL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES (continued)

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

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

1.5 RESOURCES EXPENDED

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

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

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

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

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

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

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

Freehold property	-	50 years straight line
Motor vehicles	-	10 years straight line
Fixtures and fittings	-	5 years straight line
Computer equipment	-	5 years straight line

1.7 OPERATING LEASES

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

1. ACCOUNTING POLICIES (continued)

1.8 TAXATION

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

1.9 PENSIONS

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ("SERPS"), and the assets are held separately from those of the Academy.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 24, the TPS is a multi-employer scheme and the Academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Academy in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on the 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 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.

1.10 GROUP ACCOUNTING

In preparing the financial statements the Academy has taken the exemption under FRS 2 and has not consolidated the results of the controlled entity Charles Adam Prize Fund on the basis that these are immaterial to the group. Further information on this entity can be found in note 25.

1.11 AGENCY ARRANGEMENT

The Academy acts as an agent in distributing 16-19 bursary funds from EFA. Payments received from EFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy does not have control over the charitable application of the funds. The Academy can use up to 100% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at period end are disclosed in Note 23.

THE COMMONWEAL SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

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

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Donations	49,405	36,861	86,266	22,784

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Lettings	20,807	-	20,807	11,825

4. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Bank interest	818	-	818	1,138

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5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA grants				
Capital Grants	-	114,303	114,303	4,844,076
General Annual Grant	-	5,916,683	5,916,683	5,515,101
Pupil Premium	-	203,276	203,276	219,166
Other Dfe/ EFA grants	-	49,833	49,833	51,434
	-	6,284,095	6,284,095	10,629,777
Other government grants				
Other government grants non capital	-	-	-	28,074
High Needs	-	623,891	623,891	681,503
	-	623,891	623,891	709,577
Other funding				
Educational visits income	-	157,006	157,006	92,046
Other incoming resources	1,615	100,115	101,730	81,852
	1,615	257,121	258,736	173,898
	1,615	7,165,107	7,166,722	11,513,252

6. RESOURCES EXPENDED

	Staff costs 2015 £	Non Pay Premises 2015 £	Expenditure Other 2015 £	Total 2015 £	Total 2014 £
Direct costs	4,913,725	-	552,659	5,466,384	4,815,802
Support costs	932,605	702,518	492,827	2,127,950	1,870,566
CHARITABLE ACTIVITIES	5,846,330	702,518	1,045,486	7,594,334	6,686,368
GOVERNANCE	2,480	-	11,685	14,165	19,526
	5,848,810	702,518	1,057,171	7,608,499	6,705,894

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FOR THE PERIOD ENDED 31 AUGUST 2015

7. DIRECT COSTS

	Total funds 2015 £	Total funds 2014 £
Pension finance costs	1,000	6,000
Educational supplies (including educational visits)	461,494	416,477
Examination fees	103,094	77,828
Other costs	2,694	2,269
Wages and salaries	3,941,306	3,535,903
National insurance	286,328	263,861
Pension cost	670,468	513,464
	<u>5,466,384</u>	<u>4,815,802</u>

8. SUPPORT COSTS

	Total funds 2015 £	Total funds 2014 £
Staff development	19,152	25,976
Supply teachers	151	19,818
Recruitment and support	17,258	48,021
Maintenance of premises and equipment	63,215	71,279
Cleaning	66,407	49,242
Rent and rates	29,725	24,754
Energy costs	109,786	100,009
Insurance	60,470	59,113
Security and transport	23,602	21,139
Catering	51,808	51,087
Technology costs	63,427	48,341
Office overheads	74,325	70,272
Legal and professional	168,781	142,548
Bank interest and charges	160	262
Wages and salaries	762,850	684,682
National insurance	35,827	33,501
Pension cost	133,777	119,578
Depreciation	447,229	300,944
	<u>2,127,950</u>	<u>1,870,566</u>

THE COMMONWEAL SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2015

9. GOVERNANCE COSTS

	Total funds 2015 £	Total funds 2014 £
Auditors' remuneration	7,500	7,250
Auditors' non audit costs	2,250	2,250
Internal audit costs	1,200	4,365
Legal and professional	735	4,120
Wages and salaries	2,079	1,541
Pension costs	401	-
	<u>14,165</u>	<u>19,526</u>

10. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets: - owned by the charity	447,229	300,944
Auditors' remuneration	7,500	7,250
Auditors' remuneration - non-audit	2,250	2,250
Operating lease rentals	12,888	12,888
	<u>469,867</u>	<u>323,376</u>

11. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	4,706,235	4,222,126
Social security costs	322,155	297,362
Pension costs (Note 24)	804,646	633,042
	<u>5,833,036</u>	<u>5,152,530</u>
Supply teacher costs	151	19,818
Staff restructuring costs	15,623	-
	<u>5,848,810</u>	<u>5,172,348</u>

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

11. STAFF (continued)

b. Staff numbers

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

	2015 No.	2014 No.
Teachers	74	62
Teaching assistants	31	35
Administration and other support	47	41
Management	6	6
	<u>158</u>	<u>144</u>

c. Higher paid staff

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

	2015 No.	2014 No.
In the band £60,001 - £70,000	1	1
In the band £110,001 - £120,000	1	1
	<u>1</u>	<u>1</u>

The above two employees received total employer pension contributions of £25,483 (2014: £21,862).

12. TRUSTEES

During the period retirement benefits were accruing to 4 Trustees (2014: 4) in respect of defined contribution pension schemes.

The Headteacher and other staff Trustees 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 Trustees. The value of Trustees' remuneration and other benefits was as follows: K Defter, Remuneration £115,000 - £120,000 (2014: £110,000 - £115,000) Employer's Pension Contributions £15,000 - £20,000 (2014: £10,000 - £15,000); G Williams, Remuneration £40,000 - £45,000 (2014: £35,000 - £40,000) Employer's Pension Contributions £5,000 - £10,000 (2014: £0 - £5,000); L Whetman, Remuneration £35,000 - £40,000 (2014: £20,000 - £25,000) Employer's Pension Contributions £0 - £5,000 (2014: £0 - £5,000); N Weaver, Remuneration £20,000 - £25,000 (2014: £20,000 - £25,000) Employer's Pension Contributions £0 - £5,000 (2014: £0 - £5,000).

K Defter's remuneration includes remuneration for his role as a National College Associate which is externally funded. During the year, travel and subsistence expenses totalling £538 were reimbursed to the above trustees (2014: £1,370).

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NOTES TO THE FINANCIAL STATEMENTS
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13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the period ended 31 August 2015 was £1,272 (2014: £1,251). The cost of this insurance is included in the total insurance cost.

14. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
COST					
At 1 September 2014	18,657,680	57,792	289,966	192,408	19,197,846
Additions	217,694	-	9,545	11,712	238,951
At 31 August 2015	18,875,374	57,792	299,511	204,120	19,436,797
DEPRECIATION					
At 1 September 2014	693,485	10,179	44,962	88,862	837,488
Charge for the period	341,708	5,779	59,899	39,843	447,229
At 31 August 2015	1,035,193	15,958	104,861	128,705	1,284,717
NET BOOK VALUE					
At 31 August 2015	17,840,181	41,834	194,650	75,415	18,152,080
At 31 August 2014	17,964,195	47,613	245,004	103,546	18,360,358

Included in land and buildings is freehold land at valuation of £2,779,529 which is not depreciated.

15. DEBTORS

	2015 £	2014 £
Trade debtors	3,237	22,898
VAT repayable	32,604	189,027
Other debtors	199	2,683
Prepayments and accrued income	124,592	624,421
	<u>160,632</u>	<u>839,029</u>

Included with accrued income is £Nil (2014: £468,200) of capital funding relating to the construction of the sixth form centre.

THE COMMONWEAL SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
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16. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Loans	39,272	34,272
Trade creditors	35,977	63,955
Other taxation and social security	96,877	91,496
Other creditors	144,891	405,189
Accruals and deferred income	53,414	139,023
	<u>370,431</u>	<u>733,935</u>

DEFERRED INCOME

	£
Deferred income at 1 September 2014	6,437
Resources deferred during the year	2,750
Amounts released from previous years	<u>(6,437)</u>
Deferred income at 31 August 2015	<u>2,750</u>

Included within loans is £751,424 (2014: £781,696) relating to an amount due to Swindon Borough Council and relates to a building refurbishment project that was completed pre conversion. The loan is unsecured and interest free. £30,272 (2014: £30,272) of the loan is due for repayment in less than one year.

Included within loans is a Salix loan of £53,000 (2014: £56,000) relating to amount loaned by the EFA to the Academy to refit the boiler in the gymnasium. The loan is unsecured and interest free. £9,000 (2014 £4,000) of the loan is due for repayment in less than one year.

17. CREDITORS:
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2015 £	2014 £
Loans	<u>765,152</u>	<u>803,424</u>

Included within the above are amounts falling due as follows:

	2015 £	2014 £
BETWEEN ONE AND TWO YEARS		
Loans	<u>38,272</u>	<u>38,272</u>
BETWEEN TWO AND FIVE YEARS		
Loans	<u>114,816</u>	<u>114,816</u>
OVER FIVE YEARS		
Loans	<u>612,064</u>	<u>650,336</u>

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17. CREDITORS:
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (continued)

Creditors include amounts not wholly repayable within 5 years as follows:

	2015 £	2014 £
Repayable by instalments	<u>612,064</u>	<u>650,336</u>

18. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
UNRESTRICTED FUNDS						
General funds	<u>89,413</u>	<u>72,645</u>	<u>(61,474)</u>	-	-	<u>100,584</u>
RESTRICTED FUNDS						
General Annual Grant (GAG)	238,782	5,883,962	(5,899,926)	(52,919)	-	169,899
High needs funding	-	623,891	(623,891)	-	-	-
Donations	-	36,861	(36,861)	-	-	-
Pupil premium	-	203,276	(203,276)	-	-	-
Other DfE/EFA grants	-	82,554	(59,721)	(22,833)	-	-
National college income	-	43,200	(43,200)	-	-	-
Maths hub	-	33,000	-	-	-	33,000
Trips income	-	157,006	(157,006)	-	-	-
Other restricted income	-	23,915	(23,915)	-	-	-
Pension reserve	(1,128,000)	-	(52,000)	-	(14,000)	(1,194,000)
	<u>(889,218)</u>	<u>7,087,665</u>	<u>(7,099,796)</u>	<u>(75,752)</u>	<u>(14,000)</u>	<u>(991,101)</u>

THE COMMONWEAL SCHOOL
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18. STATEMENT OF FUNDS (continued)

RESTRICTED FIXED ASSET FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Fixed assets transferred on conversion	12,791,461	-	(224,411)	-	-	12,567,050
Fixed assets purchased from GAG and other restricted funds	189,704	-	(99,934)	22,647	-	112,417
Capital grants	5,395,284	114,303	(122,884)	-	-	5,386,703
Devolved formula capital	63,077	-	-	22,833	-	85,910
Loan with Local Authority	(781,696)	-	-	30,272	-	(751,424)
	<u>17,657,830</u>	<u>114,303</u>	<u>(447,229)</u>	<u>75,752</u>	<u>-</u>	<u>17,400,656</u>
Total restricted funds	<u>16,768,612</u>	<u>7,201,968</u>	<u>(7,547,025)</u>	<u>-</u>	<u>(14,000)</u>	<u>16,409,555</u>
Total of funds	<u><u>16,858,025</u></u>	<u><u>7,274,613</u></u>	<u><u>(7,608,499)</u></u>	<u><u>-</u></u>	<u><u>(14,000)</u></u>	<u><u>16,510,139</u></u>

RESTRICTED FUNDS

The General Annual Grant (GAG) represents funding received from the EFA during the period in order to fund the continuing activities of the school.

High needs funding (SEN) funding is received from the EFA to cater for pupils with learning difficulties and other disabilities.

Pupil premium funding represents funding received from the EFA for children that qualify for free school meals to enable the academy to address the current underlying inequalities between those children and their wealthier peers. Schools also receive funding for children who have been looked after continuously for more than six months, and children of service personnel. Pupil premium will also fund a Summer School Programme for disadvantaged pupils to support their transition to secondary schools.

Devolved formula capital grants represent funding from the EFA to cover the maintenance and purchase of the academy's assets.

Other DfE/EFA grants consist of funding from the EFA to support the preparation of financial returns and budgets.

National income consists of funding received from the National College for Teaching and Leadership and amounts relating to consultancy and initial teacher training.

Maths hub income relates to funding received to create a new maths facility at the Academy. This funding is to be spent in the 2015/16 academic year.

Other restricted income relates to the various other restricted funding received and expensed in the year.

Other Local Government funding consists of RPA Project and Protocol income received from Swindon Borough Council.

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FOR THE PERIOD ENDED 31 AUGUST 2015

18. STATEMENT OF FUNDS (continued)

Pension reserve represents the School's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy. The School is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

FIXED ASSET FUNDS

Fixed assets transferred on conversion represent the building and equipment donated to the school from Swindon Borough Council on conversion to an Academy.

Fixed assets purchased from GAG and other restricted funds represent amounts spent on fixed assets from the GAG funding received from the EFA, a donation from the Charles Adam Prize Fund and donations towards mini buses received in the year.

Capital grants represent funding received to build the Sixth form facility.

The loan with the Local Authority represents amounts owed to Swindon Borough Council. See note 16 for detail.

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

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	89,413	72,645	(61,474)	-	-	100,584
Restricted funds	(889,218)	7,087,665	(7,099,796)	(75,752)	(14,000)	(991,101)
Restricted fixed asset funds	17,657,830	114,303	(447,229)	75,752	-	17,400,656
	<u>16,858,025</u>	<u>7,274,613</u>	<u>(7,608,499)</u>	<u>-</u>	<u>(14,000)</u>	<u>16,510,139</u>

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19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	18,152,079	18,152,079	18,360,358
Current assets	100,584	587,059	-	687,643	1,163,026
Creditors due within one year	-	(340,160)	(30,271)	(370,431)	(733,935)
Creditors due in more than one year	-	(44,000)	(721,152)	(765,152)	(803,424)
Pension scheme liability	-	(1,194,000)	-	(1,194,000)	(1,128,000)
	<u>100,584</u>	<u>(991,101)</u>	<u>17,400,656</u>	<u>16,510,139</u>	<u>16,858,025</u>

20. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources before revaluations	(333,886)	4,843,105
Returns on investments and servicing of finance	(818)	(1,138)
Depreciation of tangible fixed assets	447,229	300,944
Capital grants and donations	(114,303)	(5,489,999)
Decrease/(increase) in debtors	678,397	(431,884)
(Decrease)/increase in creditors	(439,270)	47,619
Defined benefit pension scheme adjustments	52,000	1,000
NET CASH INFLOW/(OUTFLOW) FROM OPERATIONS	<u>289,349</u>	<u>(730,353)</u>

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

	2015 £	2014 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	<u>818</u>	<u>1,138</u>
	2015 £	2014 £
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(168,185)	(5,077,314)
Capital grants	114,303	5,489,999
NET CASH (OUTFLOW)/INFLOW FROM CAPITAL EXPENDITURE	<u>(53,882)</u>	<u>412,685</u>

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21. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	2015 £	2014 £
FINANCING		
Other new loans	-	56,000
Repayment of other loans	(33,272)	(30,272)
	<u>(33,272)</u>	<u>25,728</u>
NET CASH (OUTFLOW)/INFLOW FROM FINANCING	<u><u>(33,272)</u></u>	<u><u>25,728</u></u>

22. ANALYSIS OF CHANGES IN NET DEBT

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	323,997	203,013	-	527,010
DEBT:				
Finance leases	-	-	-	-
Debts due within one year	(34,272)	(5,000)	-	(39,272)
Debts falling due after more than one year	(803,424)	38,272	-	(765,152)
	<u>(513,699)</u>	<u>236,285</u>	<u>-</u>	<u>(277,414)</u>
NET DEBT	<u><u>(513,699)</u></u>	<u><u>236,285</u></u>	<u><u>-</u></u>	<u><u>(277,414)</u></u>

23. AGENCY ARRANGEMENTS

The Academy distributes 16-19 bursary funds to students as an agent for EFA. In the accounting period ended 31 August 2015 the Academy received £10,512 and disbursed £7,427 from the fund. The remaining £3,085 is included within other creditors at the year end.

24. PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Wiltshire 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 2004 and of the LGPS 31 March 2015.

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The pension costs paid to TPS in the period amounted to £670,468 (2014: £513,464).

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

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24. PENSION COMMITMENTS (continued)

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2015 was £403,000, of which employer's contributions totalled £322,000 and employees' contributions totalled £81,000. The agreed contribution rates for future years are 19.3% for employers and 5.5-6.8% for employees.

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

The amounts recognised in the Balance sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(3,643,000)	(3,148,000)
Fair value of scheme assets	2,449,000	2,020,000
	<u>(1,194,000)</u>	<u>(1,128,000)</u>
Net liability	<u>(1,194,000)</u>	<u>(1,128,000)</u>

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

	2015 £	2014 £
Current service cost	(373,000)	(258,000)
Interest on obligation	(124,000)	(102,000)
Expected return on scheme assets	123,000	96,000
	<u>(374,000)</u>	<u>(264,000)</u>
Total	<u>(374,000)</u>	<u>(264,000)</u>

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

	2015 £	2014 £
Opening defined benefit obligation	3,148,000	2,070,000
Current service cost	373,000	258,000
Interest cost	124,000	102,000
Contributions by scheme participants	81,000	71,000
Actuarial (Gains)/losses	(52,000)	676,000
Benefits paid	(31,000)	(29,000)
	<u>3,643,000</u>	<u>3,148,000</u>
Closing defined benefit obligation	<u>3,643,000</u>	<u>3,148,000</u>

THE COMMONWEAL SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2015

24. PENSION COMMITMENTS (continued)

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

	2015 £	2014 £
Opening fair value of scheme assets	2,020,000	1,481,000
Expected return on assets	123,000	96,000
Actuarial gains and (losses)	(66,000)	138,000
Contributions by employer	322,000	263,000
Contributions by employees	81,000	71,000
Benefits paid	(31,000)	(29,000)
	<u>2,449,000</u>	<u>2,020,000</u>

The cumulative amount of actuarial losses recognised in the Statement of total recognised gains and losses was £645,000 (2014: £631,000).

The Academy expects to contribute £333,000 to its Defined benefit pension scheme in 2016.

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

	2015	2014
Equities	71.00 %	71.00 %
Bonds	15.00 %	17.00 %
Property	12.00 %	10.00 %
Cash	2.00 %	2.00 %

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

	2015	2014
Discount rate for scheme liabilities	3.80 %	3.70 %
Expected return on scheme assets at 31 August	3.80 %	5.60 %
Rate of increase in salaries	4.60 %	4.50 %
Rate of increase for pensions in payment / inflation	2.70 %	2.70 %

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

	2015	2014
Retiring today		
Males	22.3 years	22.3 years
Females	24.5 years	24.5 years
Retiring in 20 years		
Males	24.1 years	24.1 years
Females	26.9 years	26.9 years

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24. PENSION COMMITMENTS (continued)

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

Defined benefit pension schemes

	2015 £	2014 £	2013 £	2012 £
Defined benefit obligation	(3,643,000)	(3,148,000)	(2,070,000)	(1,697,000)
Scheme assets	2,449,000	2,020,000	1,481,000	1,081,000
Deficit	(1,194,000)	(1,128,000)	(589,000)	(616,000)
Experience adjustments on scheme liabilities	52,000	(676,000)	(48,000)	(93,000)
Experience adjustments on scheme assets	(66,000)	138,000	90,000	(42,000)

25. OPERATING LEASE COMMITMENTS

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

	2015 £	2014 £
EXPIRY DATE:		
Within 1 year	-	12,470
Between 2 and 5 years	7,508	418

26. 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 organisation, it is inevitable that transactions will take place with organisations in which a member of the Board of Trustees may have 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.

The Headteacher and other staff members are the Trustees of the Charles Adam Prize Fund, a charity with the objective of holding investments to provide dividend income for the Academy's science facility. During the year the Academy received a donation of £NIL (2014 - £NIL) from the Fund. The Trustees accept that in substance the Academy may control the Fund but do not consider its exclusion to be material or misleading to the users of the financial statements. At the year end the Fund held investments of £89,680 and cash of £12,105, the Fund's net assets were £101,785.

27. CONTROLLING PARTY

The Academy is under the joint control of the governors. There is no ultimate controlling party.