

GREAT MARLOW SCHOOL

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

GREAT MARLOW SCHOOL

(A Company Limited by Guarantee)

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GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017

Members

The number of members was increased from 4 to 5 by resolution at the AGM held on 16 May 2016.

S Brooks
A Cacchiolli
K Ford
K Goulding
R Wilson

Trustees / Governors

R Bowen Evans	Community Governor	(re elected from Parent to Community Governor effective 6 March 2017)
S Brooks *	Community Governor	(chairman)
P Burden	Community Governor	
A Cacchiolli	Parent Governor	
T Castle	Community Governor	
K Ford	Ex-officio - Headteacher & accounting officer	
S Funnell	Community Governor	
K Goulding	Community Governor	
C King	Staff Governor	(elected 14 October 2016)
C Legerton	Staff Governor	
S Money	Community Governor	(re elected from Parent to Community Governor effective 6 March 2017)
A Peck	Parent Governor	(resigned effective 8 May 2017)
T Shabka	Community Governor	(resigned effective 1 September 2016)
L Scott	Community Governor	(resigned effective 26 June 2017)
G Steventon	Community Governor	(resigned effective 8 May 2017)
G Van der Pant	Community Governor	
S Wheeler	Staff Governor	(elected 14 October 2016)
R Wilson	Community Governor	
J Brown	Parent Governor	(elected 28 November 2016)
J Pearce	Parent Governor	(elected 28 November 2016)
J Ricketts	Parent Governor	(elected 28 November 2016)
A Walker	Parent Governor	(elected 28 November 2016)
S Collins	Community Governor	(elected 28 November 2016)
J Beukes	Community Governor	(elected 6 March 2017)
C Neal	Community Governor	(elected 6 March 2017)

Company Secretary

M Ballard Business Manager

Senior Management Team

M Ballard	Business Manager	
O Hollyman	Assistant Headteacher	
S Huddleston	Assistant Headteacher	
K Ford	Headteacher	(effective 01 September 2016)
N Maguire	Deputy Headteacher	(effective 01 September 2017)
S Merreywether	Assistant Headteacher	
G Pendlebury	Deputy Headteacher	
G Wilson	Headteacher	(resigned effective 31 August 2016)

**GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

Company Name

Great Marlow School

Principal and registered office

Great Marlow School, Bobmore Lane, Marlow, Buckinghamshire, SL7 1JE

Company registered number

07690054 (England & Wales)

Independent Auditor

MHA MacIntyre Hudson, Abbey Place, 24 - 28 Easton Street, High Wycombe, Buckinghamshire, HP11 1NT

Bankers

Lloyds Bank Plc, High Street, Maidenhead, Berkshire, SL6 1JS

Solicitors

Gordon's LLP, Winter Hill House, Marlow Reach, Marlow, Buckinghamshire, SL7 1NT
Stone King, 16 St John's Lane, London, EC1M 4BS

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017

The trustees present their annual report together with the financial statements and auditors' reports of the charitable company for the year ended to 31 August 2017. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates an academy for pupils aged 11 to 18 serving a catchment area where the northern boundary runs from the Oxfordshire border north of Stokenchurch, between Waterend and Stokenchurch running north of the M40 but south of Studley Green and Piddington then south to include Lane End and east to join the A404 at Monkton Farm.

The total number on roll in the school census on 01 October 2016 was 1271, represented by;

Year Group	7	8	9	10	11	12/13	Total
Students	228	208	206	206	201	222	1,271

Admission numbers are for Year Groups of 205 students (Years 7-11).

During 2015, Governors agreed to a request from Buckinghamshire County Council to accommodate a "bulge class" of 25 students for the Sept 2015 Year 7 intake, with an agreement to fund the additional accommodation and the lagged pupil funding. There was a further request from Buckinghamshire County Council, this time to accommodate an additional 25 students for the Sept 2016 Year 7 intake. This agreement also included funding the additional accommodation and the lagged pupil funding.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

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

The trustees of Great Marlow School are also the directors of the charitable company for the purposes of company law. The charitable company is known as Great Marlow School.

Details of the trustees who served throughout the year are included in the Reference and Administrative Details on page 1.

Members Liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10.00, for the debts and liabilities contracted before they ceased to be a member.

Trustees' Indemnities

Trustees benefit from indemnity insurance 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 Trust. The school has opted into the Risk Protection Arrangement from 1 August 2015, to replace the previous Trustees' Indemnity insurance.

**GREAT MARLOW SCHOOL
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

Method of Recruitment and Appointment or Election of Trustees

The members of the governing body of the predecessor school as at 31 July 2011 were appointed as members of the Academy Trust to serve out their remaining terms of office. In the case of one governor whose term ended in July 2011 it was agreed that her new term of office would date from 12th September 2011.

All Members are also Governors.

The term of office for all governors except the Headteacher is 4 years.

Members may appoint up to 12 Community Governors and the total number of Governors (including the Headteacher) who are employees of the Academy Trust will not exceed one third of the total number of Governors.

Staff Governors are elected by staff members of the Academy and must be a member of staff at the time they are elected. If a Staff Governor ceases to be a staff member then they will be deemed to have resigned and will cease to be a Governor. Any election of Staff Governors which is contested is held by secret ballot.

The Headteacher is an ex officio Governor.

Parent Governors are elected by parents of registered pupils at the Academy and must be a parent of a pupil at the Academy at the time of election. The Governing Body makes all necessary arrangements for the election of Parent Governors and any election of Parent Governors which is contested will be held by secret ballot.

1 Headteacher
12 Community Governors*
5 Parent Governors **
3 Staff Governors

* 3 Community Governors resigned during 2015_16. 3 New Community Governors were elected

** 3 Parent Governors came to the end of their term and were re-elected as Community Governors. 1 Parent Governor resigned . 4 new parent Governors were elected by parental ballot in October

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Governors depends on their existing experience. The Academy buys back into the Governor Support package provided by the Local Authority and this includes a full programme of induction and training courses.

The Governor responsible for Development maintains a log of all training completed and reports on training matters at every Full Board meeting.

All new Governors are given a tour of the school and are provided with documents they need to undertake their role as Governors. New Governors are encouraged to initially attend at least one meeting of each Committee.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Organisational Structure

The structure consists of the Governors, Leadership Team, Middle Leaders such as Heads of Department and other staff. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the use of budgets, making major strategic decisions about the direction of the Academy and senior staff appointments.

Much of the work of the Governing Body is devolved to Committees or the Headteacher and the delegation of functions are reviewed annually.

The Headteacher has overall executive responsibility for the academy's activities and is the Accounting Officer.

The Headteacher is responsible for the recruitment of staff and in conjunction with the Pay Review Committee. This committee sits as a sub-committee of the Personnel & Development Committee of the Full Governing Body and is responsible for determining salary progression of staff according to the school's policy.

Much of the responsibility for day-to-day financial transactions & reporting are delegated to the Business Manager and Finance Staff and these delegations are reviewed annually.

The Leadership Team comprises the Headteacher, 2 Deputy Headteachers, the Business Manager and 3 Assistant Headteachers

In 2015/16 there were also four members of staff co-opted to the Leadership Team as Associate Assistant Headteachers. These are changed every two years.

The Leadership Team meet weekly and are responsible for the day to day operation of the Academy.

Spending control on budgets is devolved to budget holders, with expenditure above certain limits requiring additional authorisation, in accordance with the school's financial procedures.

Arrangements for setting pay and remuneration of key management personnel

The Headteacher is responsible for the recruitment of staff and in conjunction with the Pay Review Committee of the Personnel & Development Committee of determining salary progression of all staff, to include the academy's key management personnel.

Related parties and other connected charities and organisations.

The Academy Trust has a wholly owned subsidiary – The Redgrave Sports Centre Marlow Limited which was incorporated on 9th April 2013.

The Academy Trust works closely with the Friends of Great Marlow (FoGMS) who hold a variety of fundraising events in order to raise funds to support the activities of the school.

The Academy Trust also has an association with the Great Marlow Rowing Club (The Swans) which is a charitable trust with the purpose of supporting rowing throughout the school.

The Academy Trust has an association and a financial interest with Marlow and District Schools' Boathouse Trust. They operate as a charitable trust, whose purpose is the provision of facilities for the advancement of amateur sport and the promotion of participation in healthy recreation, in particular (but without limitation) by the provision of boathouse facilities for pupils of Great Marlow School and Sir William Borlase's Grammar School, Marlow and the surrounding area.

The accounts reflect balances in Great Marlow School Fund.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

OBJECTIVES AND ACTIVITIES

Vision Statement

Great Marlow School is a high quality learning environment which inspires students, staff and the Community to be compassionate, successful and resilient contributors to a better society.

Objects and Aims

The principal objective and activity of the company is establishing, maintaining, carrying on, managing and developing a school (The Academy) offering a broad and balanced curriculum. School aims to provide breadth, balance, relevance, continuity, flexibility and progression within a personalised curriculum which engages and meets the needs of each individual learner. The school aims to develop independent and enquiring minds, encourage reflective and rigorous life-long learning, foster in students creativity and originality, positive attitudes towards themselves, towards others and towards their environment, acquiring flexible skills for a rapidly changing world. This is achieved through promoting education as a lifelong experience and focusing on the spiritual, moral, social, cultural and physical development of all learners.

The mission statement of the School: "Creating Opportunities; Releasing Potential; Achieving Excellence" underpins the school's values.

Objectives, Strategies and Activities

It is the belief of the school that the students will succeed through experiencing a broad and balanced curriculum with rich and varied extra-curricular activities, imaginative and innovative teaching, a secure and stimulating learning environment and support, challenge and the encouragement to succeed. To ensure that these aims are met, the school sets strategic targets within the School Improvement Plan under the 4 main judgements reached by Ofsted when currently inspecting. These are:

- Effectiveness of leadership and management
- Quality of teaching, learning and assessment
- Personal development, behaviour and welfare
- Outcomes for children and other learners

All the objectives are owned by members of the Leadership Team and monitored through Governor Committee meetings and the Full Board.

Public Benefit

The Governors of the Academy Trust have complied with their duty to have due regard to the guidance on Public Benefit published by the Charity Commission in exercising their powers and duties. The activities undertaken to further the Academy Trust's purpose for the Public Benefit include:

- Education of young people from Marlow and the surrounding communities for students aged 11-19.
- Provision of services for other schools, both in the primary, secondary and further education sectors
- Provision of services for the community & voluntary sector.
- Making the school buildings, grounds and sports facilities widely available for use outside the school day.
- Community cohesion through engagement with the local community.
- Compliance with best value principles.
- Compliance with legal frameworks.

This section should address the activities undertaken to further the Academy Trust's purposes for the public benefit. A statement is required confirming that the Academy Trust's trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission [on their website at Charities and Public Benefit] in exercising their powers or duties. A definition of public benefit entities is included in the [SORP Appendix 1: Glossary of terms].

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

STRATEGIC REPORT

Achievements and Performance

Great Marlow School was rated "Good" following a short inspection on 12 June 2017

Academic Results

GCSE RESULTS 2017

Number of students in cohort:	205
Attainment 8 Score	45.9
Percentage of students achieving 9-4 in English and Maths	68.3%
Percentage of students gaining 5+A*-C (Including English & Maths)	67.3%

Detailed Results by Subject

GCSE subjects: breakdown by grade

a) Unreformed subjects

subject	gen	entries	A*	A	B	C	D	E	F	G	U	X	A*-C	A*-G
Art	all	49	4	3	13	17	4	4	4				37	49
Child Dev	all	22	1	6	2	7	4	1	1				16	22
Citizenship (SC) GCSE	all	200	1	9	38	58	44	25	14	8	3		106 (x ½)	197 (x ½)
Computer Science	all	44		2	6	3	7	13	5	5	3		11	41
Drama	all	31	1	9	8	8	2	2		1			26	31
Food Technology	all	22		1	5	6	6	3	1				12	22
French	all	37	2	3	5	20	6		1				30	37
Geography	all	86	3	12	23	21	17	9	1				59	86
Graphics	all	15		1	9	2	2	1					12	15
History	all	71	7	9	11	8	11	13	6	4	2		35	69
Media Studies	all	107	3	14	31	33	22	3	1				81	107
Music	all	23			2	5	6	8	1	1			7	23
PE	all	80	8	18	24	17	10	3					67	80
Religious Studies (SC) GCSE	all	141		4	32	35	45	13	9		1	2	71 (x ½)	138 (x ½)
Religious Studies	all	59	4	17	30	6	2						57	59

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Achievements and Performance (continued)

GCSE subjects: breakdown by grade

a) Unreformed subjects

subject	gen	entries	A*	A	B	C	D	E	F	G	U	X	A*-C	A*-G
Resistant Materials	all	16	1	2	2	3	4	2	2				8	16
Science (Additional)	all	199	3	21	40	64	30	27	11	2	1		128	198
Science (Core)	all	202		20	38	69	37	24	11	2	1		127	201
Spanish	all	66	5	3	9	24	21	4					41	66
Statistics	all	59	1	14	23	15	5	1					53	59
Textiles	all	13	2	2	3	5	1						12	13
All subjects	all	1542	46	170	354	426	286	156	68	23	11	2	996	1529
All subjects(%)	all	100	3.0	11.0	23.0	27.6	18.5	10.1	4.4	1.5	0.7	0.1	64.6	99.2

Reformed subjects

subject	gen	entries	9	8	7	6	5	4	3	2	1	U	X	9-4	9-1
English Language	all	202	2	7	16	37	50	42	34	9	4		1	154	201
English Literature	all	200	4	7	21	27	44	37	34	15	9	2		140	198
Maths	all	202	7	6	24	18	42	55	20	14	12	4		152	198

A-level Results

YEAR	Number in Cohort	A*-B %	A*-C %	A*-E %
2017	93	46	69	97.5
2016	102	46	75	100
2015	91	52	79	98.8
2014	81	32	60	94.8

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Key Financial Performance Indicators

In the current climate the main key performance indicator is to operate with a balanced budget or surplus whilst continuing to deliver a broad curriculum to benefit all students. In common with all education establishments, the school is operating under severe financial constraints. Given the economic climate the Leadership Team and the Governing Body seek every opportunity to increase revenue and reduce costs whilst maintaining the depth and breadth of the curriculum and thus meet the challenges of preparing students for the challenges of the 21st Century.

The level of reserves held by the school are very limited and do not allow for any further investment in infrastructure. The reserves will continue to be managed carefully in order to ensure any unexpected and urgent expenditures can be accommodated.

Staffing costs make up the largest proportion of school expenditure and for the year to 31st August 2017, Total staff costs were £5,695,956 (Last year £5,597,423) or 79.1% (Last Year 76.4%) of Operational Expenses.

Going Concern

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

FINANCIAL REVIEW

Most of the Academy's income is obtained from the ESFA/DfE in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received (GAG) during the period ended 31 August 2017 and the associated expenditure are shown as restricted funds in the statement of financial activities.

For the period ended 31 August 2017, total income of £6,852,802 excluding capital grants and donations exceeded expenditure for the same period by £100,394, (excluding depreciation and the Pension scheme actuarial gains).

The Leadership Team and Governing Body will be continuing to identify ways in which operational savings can be made, as well as exploring opportunities to generate increased revenue from the use of the buildings outside of the core educational times.

At 31 August 2017 the net book value of fixed assets was £17,642,116 and movements in tangible fixed assets are shown in Note 13 to the financial statements.

The land and buildings transferred to the Academy at its inception were formally owned by the governing body of the predecessor Foundation School.

In August 2011, the school completed the sale of a section of unused land and a small area of playing fields in order to develop the sporting facilities for both the school and local community. The proceeds of the sale of land were invested in developing the new Sports Hall – the Redgrave Sports Centre (formally opened in May 2013) and the refurbishment of the former sports gym into a 6th Form Centre. (formally opened 6th July 2015).

The Academy Trust has financially supported the purchase of equipment, staffing and set up costs of the Sports Centre in the period from April 2013 to 31 August 2017.

A five year business plan is in place to ensure that income from the letting out of facilities to the community meets the running costs of the centre and ensures that a fund can be built up to meet future replacement costs of areas such as the all-weather surface. Reviews of performance against the plan will be maintained regularly by the Board of the Sports Centre.

A Management Agreement is in place between the Academy Trust and the Redgrave Sports Centre covering the formal arrangements between the two parties including what is referred to the Operating Charge made by the Academy Trust to the Redgrave Sports Centre for the proportional cost of facilities and staffing.

For the Sports Centre has continued to trade at an operating profit since 2015/16.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Reserves Policy

The Finance Committee review, on a regular basis at meetings, the level of reserves held by the Academy Trust. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves.

As part of this review they assess the short, medium and long term needs of the school. This includes the need to ensure that there are adequate reserves for years when GAG Funding Levels are under pressure, for example, the reduction in AWPU and 6th Form Funding. They also consider the need to have a contingency in place for the Redgrave Sports Centre in its early periods of trading and the need to build up a 'sink fund' for the future replacement / refurbishment of areas such as the all-weather pitch. A contingency is also maintained to cover unforeseen operational costs.

Within the associated School Fund Account contingency unrestricted reserves are maintained to ensure that emergencies can be appropriately managed, occasionally to support a department and to cover costs towards the investigation of a possible future joint venture connected with rowing activities.

The Academy Trust also had unrestricted funds and reserves arising from the balance of funds held from the proceeds of the sale of school land in 2011. After funding expenditure relating to the build and equipping of the Sports Centre and new sports facilities, and paying the balance of funds due back to Buckinghamshire County Council, money has been allocated from the reserves for the alteration of the old gym facilities to provide a new 6th Form Centre. The new centre was formally opened on 6th July 2015.

Within fixed asset reserve funds the school reviews, at least annually, the position on the ownership of the School House which was let out to tenants until April 2017. The building requires additional investment before it can be re-let and the Trustees are in the process of obtaining quotes for this work.

Compare the amount of reserves held with the academy's reserves policy and explain, where relevant, the steps being taken to bring the level of reserves into line with the level identified by the trustees as being appropriate.

In reviewing reserves the academy must state the amount of total funds at 31 August 2017 and identify the amount of any restricted funds not available for general purposes of the academy trust at 31 August 2017.

The trust must also review the balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2017. In the statements that follow this would be a net surplus of £287,418.

At 31 August 2017 the total funds comprised:

Unrestricted		120,160
Restricted:	Fixed asset funds	18,045,787
	Pension reserve	(2,875,000)
	Other	167,258
		<u>£15,458,205</u>

The deficit on the pension reserve related to the Local Government Pension Scheme for non-teaching staff assets are held to fund future liabilities as discussed in note 25. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Investment Policy

The nature of the Academy is such that the financial instruments that it deals in are mainly bank balances, cash, traded creditors and limited trade debtors.

The Academy;

- regularly monitors cash flow and current account balances to ensure immediate financial commitments can be met and that the bank account has adequate balances to meet forthcoming commitments.
- does not have an overdraft facility on any bank accounts and accounts should not be allowed to go overdrawn.
- will identify funds surplus to the immediate cash requirements and transfer these to an account bearing a high interest rate.

Periodically (at least annually) Governors will review interest rates and compare with other investment opportunities. The Academy's current policy is to only invest funds whether restricted or unrestricted in risk free and easily accessible accounts. Other than the four main banks the policy is to invest no more than £85,000 in any one institution unless with the express agreement of the committee.

Cash flow analysis will be presented at meetings showing funds available for investment.

Principal Risks and Uncertainties

The Academy Trust practices through its Board, namely the Governing Body and the constituted subcommittees, risk management principles. Any major risks highlighted at any sub-committee are brought to the main Board with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated.

The Governing Body accepts managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Governing Body collectively, whilst more minor risks are dealt with by senior staff.

The principal risks facing the Academy are:

- Reputational / Strategic risk – mitigated by...
 - Meeting charitable objectives
 - Continuing to be oversubscribed
 - Continuing to be highly regarded within the local community
 - Maintaining excellent public examination results
- Health & Safety risks – mitigated by...
 - Regular reviews by Building & Resources Committee
 - Appropriate insurance
 - Regular testing of fire alarms and evacuation procedures
- Financial Risk – The principal financial risks are a reduction in pupil numbers, reduction in central government funding, unbudgeted increase in teaching or support staff costs, or unbudgeted major capital repairs and the operation of the Redgrave Sports Centre. The risks presented here are mitigated by:
 - The school being oversubscribed,
 - The Budgets are based on all known factors relating to central government allocations and the Academy operates with a 1 year and a 5 year Budget,
 - Staffing costs and timetabling requirements are regularly reviewed and any variations being fully costed,
 - A contingency is allowed for in the budget,
 - Five year financial plan for the Sports Centre together with monthly financial reports which are reviewed against targets.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Principal Risks and Uncertainties (continued)

The governing body recognise that the deficit on the LGPS is a cause for concern both now and in future years. In 2017 the next actuarial valuation takes place and there is a continued risk of the need to provide increased contributions if the fund is reported as being in deficit. This risk which is not unique to this academy and demonstrates an underfunded transfer value from the local authority at conversion. This is further highlighted this year owing to the new accounting standard of FRS102 and the need to show this deficit in the accounts. The governing body will consider the options available once the valuation of the scheme is apparent.

- Risks associated with personnel – mitigated by...
 - Appropriate procedures in place for the recruitment of all staff,
 - A high level of training for staff particularly in safeguarding procedures,
 - Retention of staff in key roles,
 - Performance Management / Appraisal procedures in place for all staff,
 - Appropriate policies and procedures in place

PLANS FOR FUTURE PERIODS

The major financial objective for future periods is to closely monitor budget and financial planning to maintain financial stability. Rises in Employers National Insurance and Pension contributions over the last financial year and a continuing shortage of high calibre qualified Teachers will continue to add pressure on the core staffing costs. The school continues to look for alternative revenue streams to offset those, whilst remaining focussed on delivering the core education needs of the school.

The school remains committed to finding additional ways to conserve funding to support new phases of IT and site development. This includes establishing funds for a joint boat house project to support rowing activities.

In more recent years there has been an increase in the number of people living in the Marlow area; as a consequence there is a higher demand for school places. For the 2015_16 and 2016_17 Academic Years and again in 2017_18, Buckinghamshire County Council asked Great Marlow School to accommodate an additional 25 students in Year 7 (and provided appropriate funding to expand the school to accommodate them).

Great Marlow School's Academy Trust, in partnership with Buckinghamshire County Council, is also proposing to increase the number of places available at GMS on a more permanent basis. The number on roll would be 25 students more for each year: a total of an extra 150 students across the 11 – 16 provision by September 2019.

The proposal involves making further improvements to the existing school buildings and infrastructure. The new build expansion of the school is now underway and will provide even better accommodation and facilities than already available. The funding is being provided by from Buckinghamshire County Council and the school has received some condition improvement funding from the ESFA.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

None.

AUDITOR

In so far as the trustees are aware:

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

Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 27 November 2017 and signed on the board's behalf by:

.....

S Brooks
Chair of Trustees

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2017

SCOPE OF RESPONSIBILITY

As trustees we acknowledge we have overall responsibility for ensuring that Great Marlow 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 Great Marlow 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 Statement of Trustees' Responsibilities. The full governing body, in its capacity as board of trustees has formally met 5 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
K Ford	(Headteacher from 1 September 2017)	5	5
K Goulding		4	5
R Wilson		4	5
S Brooks	(Chairman from 5 October 2015 onwards)	5	5
S Funnell		5	5
G Steventon	(Resigned 8 May 2017)	2	4
L Scott	(Resigned 26 June 2017)	3	5
P Burden		5	5
T Castle		5	5
A Cacchioli		5	4
T Shabka	(Resigned 1 September 2016)	0	0
G Van der Pant		4	5
R Bowen Evans		4	5
S Money		4	5
A Peck	(Resigned 8 May 2017)	0	4
C Legerton		4	5
S Wheeler	(Elected 14 October 2016)	5	5
C King	(14 October 2016)	5	5
J Brown	(Elected 28 November 2016)	3	4
J Pearce	(Elected 28 November 2016)	4	5
J Ricketts	(Elected 28 November 2016)	3	4
A Walker	(Elected 28 November 2016)	3	4
S Collins	(Elected 28 November 2016)	4	4
J Beukes	(Elected 6 March 2017)	3	3
C Neal	(Elected March 2017)	3	3
Observers			
M Ballard		5	5
G Pendlebury		5	5
N Maguire		5	5

**GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

GOVERNANCE (continued)

Governors understand, communicate and help drive the school vision and culture ensuring it is understood throughout the community. They actively engage with the whole school community (Staff, Students, Parents and Carers) through both formal “meet the governor” events and by supporting fund raising and other social events. They engage with the outside community on the School’s behalf act as ambassadors for the school in the local community.

Governors review the effectiveness of the school against its recently updated Vision and Values Statements by, challenging and questioning and then endorsing the strategic direction of the vibrant curriculum (including extra- curricular activities) and target setting.

Governors are very well informed. They hold leaders to account and challenge both outcomes and expectations. Probing questions are asked especially concerning the progress of disadvantaged, more able, SEND and ethnic groups. As a consequence Governors are proactive in initiating and supporting school improvement strategies.

The Governing body understands how well students learn, the quality of their work and the progress they have made. The Curriculum committee reviews data produced from Learning walks, lesson observation and homework monitoring and asks challenging questions to ensure their understanding is robust. Governors regularly visit the school and observe lessons in key areas. They review reports from external mentors as well as parental feedback from parent surveys. The use of pupil premium is monitored by the FGB and evidenced through reports to the Curriculum Committee and the Headteacher report.

Governors are reviewing the effectiveness of their school visits and feedback reporting. Staff Governors have been encouraged to feed into the reviews and the school has just recruited a Parent Governor who is a Head of Department at another local Secondary school

The Governing Body and the Safeguarding Governor regularly review the effectiveness of Safeguarding in the school and the SCR. They check that that students feel safe through Parent and Staff Feedback questionnaires as well as H+S reporting through the Buildings Committee which in turn reports to full board.

The Governing body ensures that all relevant policies are kept up to date.

The Governing Body is proud of the harmonious and compassionate culture of the school and is confident that the school has a strong focus on behaviour, positive attitudes, inspiration for future. This is evidenced through Governor visits to the school. minutes of the FGB and committees, and parental feedback.

During the Autumn term of 2017 the Governors are carrying out with the support of an external consultant a detailed self-evaluation the boards’ composition and skill set.

The Finance committee is a sub-committee of the main governing body. Its purpose is to oversee the school’s financial management in line with the school’s policies and procedures, the school’s funding agreement and to ensure adherence to Academies Financial Handbook. The committee also reviews and recommends the annual budget to the Full Board and receives the reports from the Responsible Officer.

There were 5 scheduled meetings with an additional meeting added in year to discuss issues raised regarding the forecast outturn.

The Business Manager and Deputy Head Teachers are also invited to attend as observers.

**GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
K Ford	5	5
R Wilson (Chairman)	5	5
K Goulding	3	5
S Brooks	5	5
G Steventon	1	2
P Burden	3	5
G Van der Pant	2	5
R Bowen Evans	5	5
S Money	5	5
S Wrattton	0	5
A Peck	5	5
J Beukes	2	5
J Brown	3	3
C King		
C Neal	3	3
J Pearce	1	5
A Walker	3	3
S Wheeler	2	5

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 appropriate.

During 2016_17 the Leadership Team completed a strategic review to enable curriculum-led financial planning to ensure the equitable deployment of budgets and resources, in the best interests of pupils' achievements and the school's sustainability.

They further developed the outward-facing nature of the school to work with other schools and organisations in Marlow and beyond in a climate of mutual challenge - to champion best practice and secure excellent achievements for all pupils.

The school continue to collaboratively work with the Local Authority to strategically increase the PAN and at the same time through efficient and effective deployment of financial investment to commission both buildings and facilities for current and future needs.

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust 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 Great Marlow School for the period 1st September 2016 to 31 August 2017 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 Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1st September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE RISK AND CONTROL FRAMEWORK

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- Regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing (asset purchase or capital investment) guidelines.
- Delegation of authority and segregation of duties;
- Identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Mr R Scott who is a qualified accountant as Responsible Officer.

The Responsible Officer's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a termly basis, the Responsible Officer reports to the Finance Committee and Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities. Mr Scott is also a member of board of the Redgrave Sports Centre. Regular visits have taken place throughout the period and full written reports of the checks made have been provided. Checks have included regular reviews of control accounts and sampling of payroll, purchasing and invoicing together with reviews of income and school fund.

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

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 Responsible Officer
- the work of the external auditor
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

Approved by order of the members of the board of trustees on 27 November 2017 and signed on its behalf by:

.....
S Brooks
Chair of Trustee

.....
K Ford
Accounting Officer

**GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2017**

As accounting officer of Great Marlow School I have considered my responsibility to notify the Academy Trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the Academy Trust board of trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2016.

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 ESFA.

.....
K Ford
Accounting officer

27 November 2017

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2017

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

Company law requires the 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 the Group and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable Group will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company and the Group applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/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 Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 27 November 2017 and signed on its behalf by:

.....
S Brooks
Chair of Trustees

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF GREAT MARLOW SCHOOL

OPINION

We have audited the financial statements of Great Marlow School (the 'parent academy') and its subsidiaries (the 'group') for the year ended 31 August 2017 which comprise the Group Consolidated Statement of Financial Activities incorporating Income and Expenditure Account, the Group Consolidated Balance Sheet, the Group Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

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

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Academy Trust's affairs as at 31 August 2017 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

BASIS OF OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF GREAT MARLOW SCHOOL

OTHER INFORMATION

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

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Group and the parent Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF GREAT MARLOW SCHOOL

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

BIANCA SILVA BA ACA DChA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

Abbey Place
24-28 Easton Street
High Wycombe
Buckinghamshire
HP11 1NT

19 December 2017

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO GREAT MARLOW SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 25 August 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Great Marlow School during the year 1 September 2016 to 31 August 2017 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 Great Marlow School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Great Marlow School and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Great Marlow School and the ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF GREAT MARLOW SCHOOL'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Great Marlow School's funding agreement with the Secretary of State for Education dated 29 July 2011, and the Academies Financial Handbook extant from 1 September 2016, 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 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 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 2016 to 2017 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO GREAT MARLOW SCHOOL AND THE EDUCATION AND SKILLS FUNDING AGENCY (continued)

The work undertaken to draw to our conclusion includes:

- reviewing the minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties;
- testing of a sample of grants received and other income streams;
- evaluating the internal control procedures and reporting lines, and testing as appropriate; and
- making appropriate enquires of the Accounting Officer.

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

MHA MacIntyre Hudson

Chartered Accountants

Abbey Place
24-28 Easton Street
High Wycombe
Buckinghamshire
HP11 1NT

19 December 2017

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2017

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
INCOME FROM:						
Donations and capital grants	2	-	10,455	506,241	516,696	269,263
Charitable activities	5	-	6,457,317	-	6,457,317	6,591,048
Other trading activities	3	371,021	12,954	-	383,975	378,650
Investments	4	1,055	-	-	1,055	848
TOTAL INCOME		372,076	6,480,726	506,241	7,359,043	7,239,809
EXPENDITURE ON:						
Raising funds	6	204,223	-	-	204,223	236,176
Charitable activities	8	45,211	6,797,993	356,465	7,199,669	7,327,799
TOTAL EXPENDITURE	6	249,434	6,797,993	356,465	7,403,892	7,563,975
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	19	122,642 (66,443)	(317,267) 18,853	149,776 47,590	(44,849) -	(324,166) -
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		56,199	(298,414)	197,366	(44,849)	(324,166)
Actuarial gains/(losses) on defined benefit pension schemes	25	-	888,000	-	888,000	(1,446,000)
NET MOVEMENT IN FUNDS		56,199	589,586	197,366	843,151	(1,770,166)
RECONCILIATION OF FUNDS:						
Total funds brought forward		63,961	(3,297,328)	17,848,421	14,615,054	16,385,220
TOTAL FUNDS CARRIED FORWARD		120,160	(2,707,742)	18,045,787	15,458,205	14,615,054

The notes on pages 31 to 61 form part of these financial statements.

The comparatives within the Statement of Financial Activities and related notes have been restated to match the reclassification of certain items of income and expenditure in the year.

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07690054

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	13		17,642,116		17,648,421
CURRENT ASSETS					
Debtors	16	292,256		151,584	
Cash at bank and in hand		994,877		768,176	
			1,287,133	919,760	
CREDITORS: amounts falling due within one year	17	(579,376)		(451,793)	
NET CURRENT ASSETS			707,757		467,967
TOTAL ASSETS LESS CURRENT LIABILITIES			18,349,873		18,116,388
CREDITORS: amounts falling due after more than one year	18		(16,668)		(33,334)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			18,333,205		18,083,054
Defined benefit pension scheme liability	25		(2,875,000)		(3,468,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			15,458,205		14,615,054
FUNDS OF THE GROUP					
Restricted fixed asset fund:					
Restricted income funds	19	167,258		170,672	
Restricted fixed asset funds	19	18,045,787		17,848,421	
Restricted income funds excluding pension liability		18,213,045		18,019,093	
Pension reserve	19	(2,875,000)		(3,468,000)	
Total restricted fixed asset fund			15,338,045		14,551,093
Unrestricted income funds	19		120,160		63,961
TOTAL FUNDS			15,458,205		14,615,054

The financial statements on pages 26 to 61 were approved by the Trustees, and authorised for issue, on 27 November 2017 and are signed on their behalf, by:

.....
S Brooks

Chair of Trustees

The notes on pages 31 to 61 form part of these financial statements.

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07690054

ACADEMY TRUST BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	13		17,642,116		17,648,421
Investments	14		1		1
			<u>17,642,117</u>		<u>17,648,422</u>
CURRENT ASSETS					
Debtors	16	381,113		290,085	
Cash at bank and in hand		988,199		731,343	
		<u>1,369,312</u>		<u>1,021,428</u>	
CREDITORS: amounts falling due within one year	17	(568,033)		(446,390)	
NET CURRENT ASSETS			<u>801,279</u>		575,038
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>18,443,396</u>		<u>18,223,460</u>
CREDITORS: amounts falling due after more than one year	18		(16,668)		(33,334)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			<u>18,426,728</u>		18,190,126
Defined benefit pension scheme liability	25		(2,875,000)		(3,468,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>15,551,728</u>		<u>14,722,126</u>

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

ACADEMY TRUST BALANCE SHEET (continued)
AS AT 31 AUGUST 2017

	Note	£	2017 £	£	2016 £
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	20	167,258		170,672	
Restricted fixed asset funds	20	18,045,787		17,848,421	
				<hr/>	
Restricted funds excluding pension asset		18,213,045		18,019,093	
Pension reserve	20	(2,875,000)		(3,468,000)	
				<hr/>	
Total restricted funds			15,338,045		14,551,093
Unrestricted funds	20		213,683		171,033
			<hr/>		<hr/>
TOTAL FUNDS			15,551,728		14,722,126
			<hr/> <hr/>		<hr/> <hr/>

The financial statements were approved by the Trustees, and authorised for issue, on 27 November 2017 and are signed on their behalf, by:

.....
S Brooks
Chair of Trustees

The notes on pages 31 to 61 form part of these financial statements.

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by operating activities	22	69,565	79,183
Cash flows from investing activities:			
Dividends, interest and rents from investments		1,055	848
Purchase of tangible fixed assets		(350,160)	(123,946)
Capital grants from DfE/ESFA		456,603	26,134
Capital funding received from sponsors and others		49,638	200,000
Net cash provided by investing activities		157,136	103,036
Change in cash and cash equivalents in the year		226,701	182,219
Cash and cash equivalents brought forward		768,176	585,957
Cash and cash equivalents carried forward	23	994,877	768,176

The notes on pages 31 to 61 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Great Marlow School constitutes a public benefit entity as defined by FRS 102.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the Academy Trust and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the Academy Trust alone as permitted by section 408 of the Companies Act 2006.

1.2 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy Trust at the discretion of the Trustees and include the trading subsidiary accumulated results.

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.3 Income

All income is recognised once the Academy Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities incorporating Income and Expenditure Account on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

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

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

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account in the period in which it is receivable, where receipt is probable and it is measurable.

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

Donations are recognised on a receivable basis where receipt is probable 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. It also includes membership, classes and hire of facilities income from Redgrave Sports Centre.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on raising funds includes all expenditure incurred by the Academy Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading. It also includes subsidiary costs of running Redgrave Sports Centre.

Expenditure on charitable activities are costs incurred on the Academy Trust's educational operations, including support costs and those costs relating to the governance of the Academy Trust apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

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

1.6 Basis of consolidation

The financial statements consolidate the accounts of Great Marlow School and all of its subsidiary undertakings ('subsidiaries').

The Academy Trust has taken advantage of the exemption contained within S408 of the Companies Act 2006 not to present its own Statement of Financial Activities incorporating Income and Expenditure Account.

The net income/expenditure for the year dealt with in the accounts of the Academy Trust was a loss of £58,399 (2016 - £328,749 loss) before actuarial gains/losses.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.7 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	50 years on buildings only
Motor vehicles	-	5 years
Equipment	-	5 to 7 years
Computer equipment	-	5 years

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

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

1.8 Investments

The Academy's shareholding in the wholly owned subsidiary, Redgrave Sports Centre Marlow Limited, is included in the balance sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

1.9 Operating leases

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.10 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

1.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.12 Cash at bank and in hand

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

1.13 Liabilities and provisions

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

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.14 Financial instruments

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Amounts due to the Academy Trust from its wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in notes 17 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments. Amounts owed by the Academy Trust to its wholly owned subsidiary are held at face value less any impairment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.15 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 25, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.16 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The judgments that have a significant effect on amounts recognised in the financial statements are those concerning the choice of depreciation policies and asset lives.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations	-	10,455	-	10,455	3,258
Capital grants	-	-	456,603	456,603	66,005
Donated assets	-	-	49,638	49,638	200,000
	-	10,455	506,241	516,696	269,263
<i>Total 2016</i>	-	43,129	226,134	269,263	

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

3. OTHER TRADING ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Rental income	26,212	-	26,212	25,250
Other income	13,181	12,954	26,135	55,691
School clubs - rowing income	81,331	-	81,331	56,950
Catering income	1,899	-	1,899	-
Insurance reimbursement	30,625	-	30,625	-
Income from trading subsidiary	217,773	-	217,773	240,759
	<u>371,021</u>	<u>12,954</u>	<u>383,975</u>	<u>378,650</u>
<i>Total 2016</i>	<u>346,328</u>	<u>32,322</u>	<u>378,650</u>	

4. INVESTMENT INCOME

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Bank interest receivable	1,055	-	1,055	848
	<u>1,055</u>	<u>-</u>	<u>1,055</u>	<u>848</u>
<i>Total 2016</i>	<u>848</u>	<u>-</u>	<u>848</u>	

GREAT MARLOW SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	5,767,576	5,767,576	5,755,106
Pupil premium	-	156,339	156,339	158,830
Other DfE/ESFA revenue grants	-	30,884	30,884	68,194
	-	5,954,799	5,954,799	5,982,130
Other government grants				
Local Authority SEN income	-	126,708	126,708	128,850
Other Local Authority income	-	138,571	138,571	181,120
	-	265,279	265,279	309,970
Other funding				
Trip income	-	163,989	163,989	172,994
Other income	-	73,250	73,250	125,954
	-	237,239	237,239	298,948
	-	6,457,317	6,457,317	6,591,048
<i>Total 2016</i>	-	6,591,048	6,591,048	

GREAT MARLOW SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

6. EXPENDITURE

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Expenditure in subsidiary Academy's educational operations:					
Direct costs	126,231	-	77,992	204,223	236,176
Support costs	4,648,322	-	591,583	5,239,905	5,355,445
	921,403	733,042	305,319	1,959,764	1,972,354
	<u>5,695,956</u>	<u>733,042</u>	<u>974,894</u>	<u>7,403,892</u>	<u>7,563,975</u>
<i>Total 2016</i>	<u>5,597,423</u>	<u>756,620</u>	<u>1,209,932</u>	<u>7,563,975</u>	

7. EXPENDITURE - ANALYSIS OF SPECIFIC EXPENSES

Included within expenditure are the following transactions:

	Total £	Individual items above £5,000 Amount £	Reason
Gifts made by the trust	75	-	

GREAT MARLOW SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

8. CHARITABLE ACTIVITIES

	Total funds 2017 £	Total funds 2016 £
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Teaching and educational support staff costs	4,648,322	4,637,470
Other staff costs	34,115	53,344
Technology costs	14,488	34,167
Educational supplies	140,974	213,702
Examination fees	99,829	110,999
Educational consultancy	9,529	1,878
Other direct costs	292,648	303,885
	<u>5,239,905</u>	<u>5,355,445</u>
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Support staff costs	913,153	805,410
Depreciation	356,465	386,900
Pension finance costs	74,000	70,000
Other staff costs	1,945	2,381
Maintenance of premises and equipment	105,461	94,952
Cleaning	82,937	95,175
Rent and rates	42,614	41,526
Energy	81,421	95,862
Catering supplies	6,249	21,288
Non staff related insurance	31,456	42,206
Legal and professional	52,576	71,830
Other support costs	189,640	223,485
Governance costs	21,847	21,339
	<u>1,959,764</u>	<u>1,972,354</u>
	<u><u>7,199,669</u></u>	<u><u>7,327,799</u></u>

9. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets:		
- owned by the charitable group	356,465	386,900
Auditors' remuneration - audit	10,300	10,300
Auditors' remuneration - other services	3,297	2,789
Operating lease rentals	69,977	84,917
	<u><u>69,977</u></u>	<u><u>84,917</u></u>

GREAT MARLOW SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

10. STAFF COSTS

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	4,291,306	4,316,154
Social security costs	359,165	333,539
Operating costs of defined benefit pension schemes	946,400	777,692
	<u>5,596,871</u>	<u>5,427,385</u>
Apprenticeship levy	8,983	-
Supply teacher costs	81,852	139,888
Staff restructuring costs	-	21,900
Staff governance costs	8,250	8,250
	<u><u>5,695,956</u></u>	<u><u>5,597,423</u></u>

Staff restructuring costs comprise:

Severance payments	-	21,900
	<u><u>-</u></u>	<u><u>21,900</u></u>

Included within staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2016: £21,900).

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

	2017 No.	2016 No.
Teachers	79	75
Administration and support	78	78
Management	9	11
	<u>166</u>	<u>164</u>

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

	2017 No.	2016 No.
In the band £60,001 - £70,000	2	2
In the band £70,001 - £80,000	1	0
In the band £80,001 - £90,000	0	1
In the band £90,001 - £100,000	1	0
In the band £110,001 - £120,000	0	1

All of the above participated in the Teacher's Pension Scheme. During the year ended 31 August 2017, pension contributions for these staff amounted to £48,950 (2016: £46,569).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

10. STAFF COSTS (continued)

The key management personnel of the Academy Trust comprises the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £598,976 (2016: £698,703).

11. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher 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:

		2017	2016
		£	£
C Legerton	Remuneration	20,000-25,000	15,000-20,000
	Pension contributions paid	0-5,000	0-5,000
K Ford, Headteacher (appointed 1 September 2016)	Remuneration	90,000-95,000	
	Pension contributions paid	15,000-20,000	
S Wheeler (appointed 10 October 2016)	Remuneration	35,000-40,000	
	Pension contributions paid	5,000-10,000	
C King (appointed 10 October 2016)	Remuneration	35,000-40,000	
	Pension contributions paid	5,000-10,000	

Remuneration disclosures for Trustees who resigned prior to 1 September 2016 have not been reflected in these financial statements.

During the year ended 31 August 2017, expenses relating to travel and subsistence for non-Trustee activities totalling £816 (2016: £1,785) were reimbursed to four Trustees (2016 - three Trustees).

12. TRUSTEES' AND OFFICERS' INSURANCE

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

GREAT MARLOW SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

13. TANGIBLE FIXED ASSETS

Group and Academy Trust	Freehold property	Motor vehicles	Equipment	Computer equipment	Assets under construction	Total
	£	£	£	£	£	£
Cost						
At 1 September 2016	18,073,169	11,180	401,059	508,021	-	18,993,429
Additions	75,374	-	81,348	73,059	120,379	350,160
At 31 August 2017	<u>18,148,543</u>	<u>11,180</u>	<u>482,407</u>	<u>581,080</u>	<u>120,379</u>	<u>19,343,589</u>
Depreciation						
At 1 September 2016	821,249	9,689	149,908	364,162	-	1,345,008
Charge for the year	235,069	1,491	72,794	47,111	-	356,465
At 31 August 2017	<u>1,056,318</u>	<u>11,180</u>	<u>222,702</u>	<u>411,273</u>	<u>-</u>	<u>1,701,473</u>
Net book value						
At 31 August 2017	<u>17,092,225</u>	<u>-</u>	<u>259,705</u>	<u>169,807</u>	<u>120,379</u>	<u>17,642,116</u>
At 31 August 2016	<u>17,251,920</u>	<u>1,491</u>	<u>251,151</u>	<u>143,859</u>	<u>-</u>	<u>17,648,421</u>

Freehold property additions comprise sixth form block improvements and various electrical rewiring. Included within freehold property is land at valuation of £6,775,000 (2016 - £6,775,000) which is not depreciated.

14. FIXED ASSET INVESTMENTS

Academy trust	Shares in group undertakings	
Cost	£	
At 1 September 2016 and 31 August 2017	<u>1</u>	
Investment in trading subsidiary		
	2017	2016
	£	£
Redgrave Sports Centre Marlow Limited	1	1

GREAT MARLOW SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

15. PRINCIPAL SUBSIDIARIES

Redgrave Sports Centre Marlow Limited

Subsidiary name	Redgrave Sports Centre Marlow Limited
Company registration number	08481371
Basis of control	Wholly owned subsidiary
Equity shareholding %	100%
Total assets as at 31 August 2017	£ 22,442
Total liabilities as at 31 August 2017	£ 115,963
Total equity as at 31 August 2017	£ (93,521)
Turnover for the year ended 31 August 2017	£ 217,773
Expenditure for the year ended 31 August 2017	£ 204,223
Profit for the year ended 31 August 2017	£ 13,550

16. DEBTORS

	Group		Academy Trust	
	2017	2016	2017	2016
	£	£	£	£
Trade debtors	32,485	49,428	23,902	45,097
Amounts owed by group undertakings	-	-	104,620	121,926
Prepayments and accrued income	234,140	71,653	226,960	62,181
VAT recoverable	25,631	30,503	25,631	60,881
	292,256	151,584	381,113	290,085

17. CREDITORS: Amounts falling due within one year

	Group		Academy Trust	
	2017	2016	2017	2016
	£	£	£	£
Trade creditors	134,912	101,524	134,231	101,524
Other taxation and social security	108,981	107,625	105,540	107,473
Other creditors	16,666	16,666	16,666	16,666
Accruals and deferred income	318,817	225,978	311,596	220,727
	579,376	451,793	568,033	446,390

GREAT MARLOW SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

17. CREDITORS: Amounts falling due within one year (continued)

	<u>Group</u>		<u>Academy Trust</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
	£	£	£	£
Deferred income				
Deferred income at 1 September 2016	33,320	59,646	33,320	59,646
Resources deferred during the year	29,464	33,320	26,443	33,320
Amounts released from previous years	(33,320)	(59,646)	(33,320)	(59,646)
Deferred income at 31 August 2017	29,464	33,320	26,443	33,320

At the Balance Sheet date the Academy Trust was holding funds received in advance for school trips and business rates relief for the period September 2017 to March 2018.

Included within other creditors is a loan of £16,666 (2016: £16,666) from the ESFA under the Condition Improvement Fund, which is provided on the following terms: interest is charged at 1.69% and repayments will be made through a reduction in revenue payments over a three year period.

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

	<u>Group</u>		<u>Academy Trust</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
	£	£	£	£
Other creditors	16,668	33,334	16,668	33,334

Included within other creditors is a loan of £16,668 (2016: £33,334) from the ESFA under the Condition Improvement Fund, which is provided on the following terms: interest is charged at 1.69% and repayments will be made through a reduction in revenue payments over a three year period.

GREAT MARLOW SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

19. STATEMENT OF FUNDS - GROUP

	Balance at 1 September 2016 £	Income £	Resources expended £	Transfers in/(out) £	Gains/ (losses) £	Balance at 31 August 2017 £
Unrestricted funds						
General unrestricted funds	171,034	154,303	(45,211)	(66,443)	-	213,683
Trading subsidiary	(107,073)	217,773	(204,223)	-	-	(93,523)
	<u>63,961</u>	<u>372,076</u>	<u>(249,434)</u>	<u>(66,443)</u>	<u>-</u>	<u>120,160</u>
Restricted funds						
General Annual Grant (GAG)	-	5,767,576	(5,786,429)	18,853	-	-
SEN grant	-	126,708	(126,708)	-	-	-
Pupil premium	-	156,339	(156,339)	-	-	-
Other restricted funds	170,672	260,648	(264,062)	-	-	167,258
Other Local Authority Grants	-	138,571	(138,571)	-	-	-
Other DfE/ESFA revenue grants	-	30,884	(30,884)	-	-	-
Pension reserve	(3,468,000)	-	(295,000)	-	888,000	(2,875,000)
	<u>(3,297,328)</u>	<u>6,480,726</u>	<u>(6,797,993)</u>	<u>18,853</u>	<u>888,000</u>	<u>(2,707,742)</u>
Restricted fixed asset funds						
Fixed asset fund	17,648,421	-	(356,465)	350,160	-	17,642,116
Devolved formula capital	-	26,258	-	(26,258)	-	-
Condition improvement fund	-	430,345	-	(120,379)	-	309,966
Local authority	200,000	49,638	-	(155,933)	-	93,705
	<u>17,848,421</u>	<u>506,241</u>	<u>(356,465)</u>	<u>47,590</u>	<u>-</u>	<u>18,045,787</u>
Total restricted funds	<u>14,551,093</u>	<u>6,986,967</u>	<u>(7,154,458)</u>	<u>66,443</u>	<u>888,000</u>	<u>15,338,045</u>
Total of funds	<u>14,615,054</u>	<u>7,359,043</u>	<u>(7,403,892)</u>	<u>-</u>	<u>888,000</u>	<u>15,458,205</u>

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

19. STATEMENT OF FUNDS - GROUP (continued)

STATEMENT OF FUNDS - PRIOR YEAR - GROUP

	Balance at 1 September 2015 £	Income £	Resources expended £	Transfers in/(out) £	Gains/ (losses) £	Balance at 31 August 2016 £
Unrestricted funds						
General unrestricted funds	178,958	106,417	(82,740)	(31,601)	-	171,034
Trading subsidiary	(111,656)	240,759	(236,176)	-	-	(107,073)
	<u>67,302</u>	<u>347,176</u>	<u>(318,916)</u>	<u>(31,601)</u>	<u>-</u>	<u>63,961</u>
Restricted funds						
General annual grant (GAG)	7,286	5,713,400	(5,684,476)	(36,210)	-	-
School fund	175,935	241,600	(246,863)	-	-	170,672
SEN grant	-	128,850	(128,850)	-	-	-
Pupil premium	-	158,830	(158,830)	-	-	-
Other restricted funds	-	92,928	(92,928)	-	-	-
Other local authority grants	-	108,977	(108,977)	-	-	-
SEN/LACSEG adjustment	(26,065)	26,065	-	-	-	-
Other DfE/ESFA revenue grants	81,387	195,849	(277,236)	-	-	-
Pension reserve	(1,862,000)	-	(160,000)	-	(1,446,000)	(3,468,000)
	<u>(1,623,457)</u>	<u>6,666,499</u>	<u>(6,858,160)</u>	<u>(36,210)</u>	<u>(1,446,000)</u>	<u>(3,297,328)</u>
Restricted fixed asset funds						
Fixed asset fund	17,911,375	-	(386,899)	123,945	-	17,648,421
Devolved formula capital	-	26,134	-	(26,134)	-	-
Condition improvement fund	30,000	-	-	(30,000)	-	-
Local authority	-	200,000	-	-	-	200,000
	<u>17,941,375</u>	<u>226,134</u>	<u>(386,899)</u>	<u>67,811</u>	<u>-</u>	<u>17,848,421</u>
Total restricted funds	<u>16,317,918</u>	<u>6,892,633</u>	<u>(7,245,059)</u>	<u>31,601</u>	<u>(1,446,000)</u>	<u>14,551,093</u>
Total of funds	<u>16,385,220</u>	<u>7,239,809</u>	<u>(7,563,975)</u>	<u>-</u>	<u>(1,446,000)</u>	<u>14,615,054</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

19. STATEMENT OF FUNDS - GROUP (continued)

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

All general funds are held for the purpose of education in line with the academy's objectives.

The trading subsidiary fund is in deficit due to start up losses which are gradually being recovered.

The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to the academy via the Education and Skills Funding Agency and the Department for Education. The GAG fund has been set up because the GAG must be used for the normal running costs of the academy.

The transfers between the restricted General Annual Grant fund and the general unrestricted funds to the restricted fixed asset funds represents amounts capitalised during the period or amounts spent on revenue expenditure.

Other Local Authority and DfE/ESFA grants represent grants from the respective bodies.

The pension reserve has been created to separately identify the pension deficit inherited from the local authority upon conversion to academy status, and through which all the pension scheme movements are recognised.

The Restricted Fixed Asset fund represents the net book value of capitalised fixed assets.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

GREAT MARLOW SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20. STATEMENT OF FUNDS - ACADEMY

	Balance at 1 September 2016 £	Incoming resources £	Resources expended £	Transfers in/(out) £	Gains / (losses) £	Balance at 31 August 2017 £
General funds						
General unrestricted funds	171,034	154,303	(45,211)	(66,443)	-	213,683
Total unrestricted funds	171,034	154,303	(45,211)	(66,443)	-	213,683
Restricted funds						
General annual grant (GAG)	-	5,767,576	(5,786,429)	18,853	-	-
SEN grant	-	126,708	(126,708)	-	-	-
Pupil premium	-	156,339	(156,339)	-	-	-
Other restricted funds	170,672	260,648	(264,062)	-	-	167,258
Other local authority grants	-	138,571	(138,571)	-	-	-
Other DfE/ESFA revenue grants	-	30,884	(30,884)	-	-	-
Pension reserve	(3,468,000)	-	(295,000)	-	888,000	(2,875,000)
Total restricted funds	(3,297,328)	6,480,726	(6,797,993)	18,853	888,000	(2,707,742)
Restricted fixed asset funds						
Fixed asset fund	17,648,421	-	(356,465)	350,160	-	17,642,116
Devolved formula capital	-	26,258	-	(26,258)	-	-
Condition improvement fund	-	430,345	-	(120,379)	-	309,966
Local authority	200,000	49,638	-	(155,933)	-	93,705
Total restricted fixed asset funds	17,848,421	506,241	(356,465)	47,590	-	18,045,787
Total of funds	14,722,127	7,141,270	(7,199,669)	-	888,000	15,551,728

GREAT MARLOW SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

STATEMENT OF FUNDS - PRIOR YEAR - ACADEMY

	Balance at 1 September 2015 £	Incoming resources £	Resources expended £	Transfers in/(out) £	Gains / (losses) £	Balance at 31 August 2016 £
General funds						
General unrestricted funds	178,958	106,417	(82,740)	(31,601)	-	171,034
Total unrestricted funds	178,958	106,417	(82,740)	(31,601)	-	171,034
Restricted funds						
General annual grant (GAG)	7,286	5,713,400	(5,684,476)	(36,210)	-	-
School fund	175,935	241,600	(246,863)	-	-	170,672
SEN grant	-	128,850	(128,850)	-	-	-
Pupil premium	-	158,830	(158,830)	-	-	-
Other restricted funds	-	92,928	(92,928)	-	-	-
Other local authority grants	-	108,977	(108,977)	-	-	-
SEN/LACSEG adjustment	(26,065)	26,065	-	-	-	-
Other DfE/ESFA revenue grants	81,387	195,849	(277,236)	-	-	-
Pension reserve	(1,862,000)	-	(160,000)	-	(1,446,000)	(3,468,000)
Total restricted funds	(1,444,499)	6,772,916	(6,940,900)	(67,811)	(1,446,000)	(3,126,294)
Restricted fixed asset funds						
Fixed asset fund	17,911,375	-	(386,899)	123,945	-	17,648,421
Devolved formula capital	-	26,134	-	(26,134)	-	-
Condition improvement fund	30,000	-	-	(30,000)	-	-
Local authority	-	200,000	-	-	-	200,000
Total restricted fixed asset funds	17,941,375	226,134	(386,899)	67,811	-	17,848,421
Total of funds	16,496,876	6,999,050	(7,327,799)	-	(1,446,000)	14,722,127

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

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

All general funds are held for the purpose of education in line with the academy's objectives.

The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to the academy via the Education and Skills Funding Agency and the Department for Education. The GAG fund has been set up because the GAG must be used for the normal running costs of the academy.

The transfers between the restricted General Annual Grant fund and the general unrestricted funds to the restricted fixed asset funds represents amounts capitalised during the period or amounts spent on revenue expenditure.

Other Local Authority and DfE/ESFA grants represent grants from the respective bodies.

The pension reserve has been created to separately identify the pension deficit inherited from the local authority upon conversion to academy status, and through which all the pension scheme movements are recognised.

The Restricted Fixed Asset fund represents the net book value of capitalised fixed assets.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS - GROUP

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	17,642,116	17,642,116
Current assets	120,160	763,302	403,671	1,287,133
Creditors due within one year	-	(579,376)	-	(579,376)
Creditors due in more than one year	-	(16,668)	-	(16,668)
Pension scheme liability	-	(2,875,000)	-	(2,875,000)
	<u>120,160</u>	<u>(2,707,742)</u>	<u>18,045,787</u>	<u>15,458,205</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £
Tangible fixed assets	-	-	17,648,421	17,648,421
Current assets	63,961	655,799	200,000	919,760
Creditors due within one year	-	(451,793)	-	(451,793)
Creditors due in more than one year	-	(33,334)	-	(33,334)
Provisions for liabilities and charges	-	(3,468,000)	-	(3,468,000)
	<u>63,961</u>	<u>(3,297,328)</u>	<u>17,848,421</u>	<u>14,615,054</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - ACADEMY

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	17,642,117	17,642,117
Current assets	213,683	751,959	403,670	1,369,312
Creditors due within one year	-	(568,033)	-	(568,033)
Creditors due in more than one year	-	(16,668)	-	(16,668)
Pension scheme liability	-	(2,875,000)	-	(2,875,000)
	<u>213,683</u>	<u>(2,707,742)</u>	<u>18,045,787</u>	<u>15,551,728</u>

GREAT MARLOW SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

ANALYSIS OF NET ASSETS BETWEEN FUNDS - ACADEMY - PRIOR YEAR

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds
	2017 £	2017 £	2017 £	2017 £
Tangible fixed assets	-	-	17,648,422	17,648,422
Current assets	171,034	650,394	200,000	1,021,428
Creditors due within one year	-	(446,390)	-	(446,390)
Creditors due in more than one year	-	(33,334)	-	(33,334)
Pension scheme liability	-	(3,468,000)	-	(3,468,000)
	<u>171,034</u>	<u>(3,297,330)</u>	<u>17,848,422</u>	<u>14,722,126</u>

22. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group	
	2017	2016
	£	£
Net expenditure for the year (as per Statement of Financial Activities)	(44,849)	(324,166)
Adjustment for:		
Depreciation charges	356,465	386,900
Dividends, interest and rents from investments	(1,055)	(848)
(Increase)/decrease in debtors	(143,672)	375,966
Increase/(decrease) in creditors	113,917	(292,535)
Capital grants from DfE and other capital income	(506,241)	(226,134)
Pension adjustment	295,000	160,000
Net cash provided by operating activities	<u>69,565</u>	<u>79,183</u>

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group	
	2017	2016
	£	£
Cash in hand	994,877	768,176
Total	<u>994,877</u>	<u>768,176</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

24. CAPITAL COMMITMENTS

At 31 August 2017 the Group and Academy Trust had capital commitments as follows:

	<u>Group</u>		<u>Academy Trust</u>	
	2017	2016	2017	2016
	£	£	£	£
Contracted for but not provided in these financial statements	309,966	-	309,966	-

25. PENSION COMMITMENTS

The Group's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Buckinghamshire County Council. Both are Multi-Employer Defined Benefit Pension Schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

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

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, unfunded, defined benefit scheme, governed by the Teachers' Pensions Regulations 2010, and the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

25. PENSION COMMITMENTS (continued)

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. 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 under arrangements governed by the above Act.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

The latest actuarial review 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 on 9 June 2014. The key results of the valuation are:

- employer contribution rates were set at 16.4% of pensionable pay; in line with current regulations, not including the additional 0.08% employers pay for the cost of Scheme administration;
- total scheme liabilities for service to the effective date of £191.5 billion, and notional assets of £176.6 billion, giving a notional past service deficit of £15.0 billion;
- an employer cost cap of 10.9% of pensionable pay;
- Actuarial assessments are undertaken in intervening years between formal valuations for financial reporting purposes, using updated membership data.

The new employer contribution rate and administration levy for the TPS were implemented in September 2015.

The employer's pension costs paid to TPS in the period amounted to £471,000 (2016 - £458,000).

A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website at the following location:

(<https://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuationreport.aspx>).

Scheme Changes

Lord Hutton, who chaired the Independent Public Service Pensions Commission, published his final report in March 2011 and made recommendations about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation and Ministers engaged in extensive discussions with trade unions and other representative bodies on reform of the TPS. Those discussions concluded on 9 March 2012, and the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

25. PENSION COMMITMENTS (continued)

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Importantly, pension benefits built up before 1 April 2015 will be fully protected.

In addition, the Proposed Final Agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases have been phased in since April 2012.

The arrangements for a reformed Teachers' Pension Scheme, in line with the remainder of the recommendations made by Lord Hutton, have now been implemented. The Career Average Revalued Earnings (CARE) scheme was implemented from 1 April 2015, whereby benefits will accrue on a career average basis and there is a normal pension age aligned to the state pension age.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £322,000 (2016 - £302,000), of which employer's contributions totalled £254,000 (2016 - £238,000) and employees' contributions totalled £68,000 (2016 - £64,000). The agreed contribution rates for future years are 22.8% for employers and between 5.5% and 12.5% for employees.

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

Principal actuarial assumptions:

	2017	2016
Discount rate for scheme liabilities	2.60 %	2.20 %
Rate of increase in salaries	4.20 %	4.10 %
Rate of increase for pensions in payment / inflation	2.70 %	2.30 %
Inflation assumption (CPI)	2.70 %	2.30 %
RPI increases	3.60 %	3.20 %

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

25. PENSION COMMITMENTS (continued)

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

	2017	2016
Retiring today		
Males	23.9	23.8
Females	26.0	26.2
Retiring in 20 years		
Males	26.2	26.1
Females	28.3	28.5

Sensitivity analysis - present value of total obligation	At 31 August 2017	At 31 August 2016
	£	£
Discount rate +0.1%	5,541,000	5,523,000
Discount rate -0.1%	5,804,000	5,784,000
Mortality assumption - 1 year increase	5,860,000	5,806,000
Mortality assumption - 1 year decrease	5,488,000	5,502,000
CPI rate +0.1%	5,784,000	5,763,000
CPI rate -0.1%	5,561,000	5,543,000

The Group's share of the assets in the scheme was:

	Fair value at 31 August 2017	Fair value at 31 August 2016
	£	£
Equities	1,561,000	1,194,000
Gilts	272,000	284,000
Corporate bonds	364,000	266,000
Property	206,000	179,000
Cash and other liquid assets	96,000	72,000
Alternative assets	297,000	189,000
Total market value of assets	<u>2,796,000</u>	<u>2,184,000</u>

The actual return on scheme assets was £295,000 (2016 - £292,000).

GREAT MARLOW SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

25. PENSION COMMITMENTS (continued)

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

	2017 £	2016 £
Current service cost	(473,000)	(315,000)
Interest cost	(74,000)	(70,000)
Administration expenses	(2,000)	(13,000)
Total	<u>(549,000)</u>	<u>(398,000)</u>

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

	2017 £	2016 £
Opening defined benefit obligation	5,652,000	3,607,000
Current service cost	473,000	315,000
Interest cost	125,000	143,000
Employee contributions	68,000	64,000
Actuarial (gains)/losses	(620,000)	1,665,000
Benefits paid	(27,000)	(142,000)
Closing defined benefit obligation	<u>5,671,000</u>	<u>5,652,000</u>

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

	2017 £	2016 £
Opening fair value of scheme assets	2,184,000	1,745,000
Return on plan assets (excluding net interest on the net defined pension liability)	51,000	73,000
Actuarial gains	268,000	219,000
Employer contributions	254,000	238,000
Employee contributions	68,000	64,000
Estimates benefits paid plus unfunded net of transfers in	(27,000)	(142,000)
Administration expenses	(2,000)	(13,000)
Closing fair value of scheme assets	<u>2,796,000</u>	<u>2,184,000</u>

The amount shown in the Statement of Financial Activities is:

	2017 £	2016 £
Changes in financial assumptions	620,000	(1,665,000)
Return on assets excluding amounts included in net interest	268,000	219,000
Actuarial gains/(losses) on defined benefit pension schemes	<u>888,000</u>	<u>(1,446,000)</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

PENSION COMMITMENTS (continued)

The amount shown in the balance sheet is:

	2017	2016
	£	£
Present value of defined benefit obligation	(5,671,000)	(5,652,000)
Fair value of scheme assets	2,796,000	2,184,000
	<hr/>	<hr/>
Defined benefit pension scheme liability	<u>(2,875,000)</u>	<u>(3,468,000)</u>

26. OPERATING LEASE COMMITMENTS

At 31 August 2017 the total of the Group's future minimum lease payments under non-cancellable operating leases was:

Group	2017	2016
	£	£
Amounts payable:		
Within 1 year	15,817	28,098
Between 1 and 5 years	48,219	35,847
	<hr/>	<hr/>
Total	<u>64,036</u>	<u>63,945</u>

At 31 August 2017 the Academy Trust had annual commitments under non-cancellable operating leases as follows:

Academy trust		
Amounts payable:		
Within 1 year	15,817	28,098
Between 1 and 5 years	48,219	35,847
	<hr/>	<hr/>
Total	<u>64,036</u>	<u>63,945</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

27. RELATED PARTY TRANSACTIONS

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

S Money, who is a governor of the Academy Trust, is a director and 50% shareholder of CIC Insurance Services Limited. During the year, services to the value of £8,251 (2016: £5,762) were provided by CIC Insurance Services Limited.

T Castle, who is a governor of the Academy Trust, is a director and 100% shareholder of Moyleen Consulting Ltd. During the year, services to the value of £Nil (2016: £66) were provided by Moyleen Consulting Ltd.

J Pearce, who is a trustee of the Academy Trust, is a director of Pearce Bennett Ltd. During the year, branded garments to the value of £1,728 (2016: £Nil) was provided by Pearce Bennett Ltd.

M Gennery, who is the father of K Ford a governor of the Academy Trust. During the year Mr Gennery provided services to the school for no charge, but invoiced the school for his travel expenses to the value £1,625 (2016: £375).

Other related party transactions involving trustees are set out in note 11.

28. 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 he/she ceases to be a member.