

GREAT MARLOW SCHOOL

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

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 2018

Members

S Brooks
A Cacchiolli
K Ford
K Goulding
R Wilson

Trustees

J Beukes	Community Governor
R Bowen Evans	Community Governor
S Brooks *	Community Governor (Chairman)
J Brown	Parent Governor
P Burden	Community Governor
A Cacchiolli	Parent Governor
T Castle	Community Governor
S Collins	Community Governor
K Ford	Ex-officio - Headteacher & accounting officer
S Funnell	Community Governor
K Goulding	Community Governor
C King	Staff Governor (Resigned 31 st August 2018)
C Legerton	Staff Governor (Resigned 31 st July 18)
S Money	Community Governor (Resigned 31 st August 2018)
C Neal	Community Governor
J Pearce	Parent Governor
J Ricketts	Parent Governor
G Van der Pant	Community Governor (Resigned 31 st August 2018)
A Walker	Parent Governor
S Wheeler	Staff Governor
R Wilson	Community Governor

Company Secretary

M Ballard Business Manager

Senior Management Team

M Ballard	Business Manager
K Ford	Headteacher
O Hollyman	Assistant Headteacher
S Huddleston	Assistant Headteacher
N Maguire	Deputy Headteacher
S Merreywether	Assistant Headteacher
G Pendlebury	Deputy Headteacher

Company Name

Great Marlow School

Principal and Registered Office

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

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

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018**

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 2018

The trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2018. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

STRUCTURE, GOVERNANCE AND MANAGEMENT

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 2018 was 1336, represented by;

Year Group	7	8	9	10	11	12/13	Total
Students	231	231	228	233	203	210	1,336

Published Admission Number (PAN) is 230 students for Years 7-11).

During 2015, Governors agreed to a request from Buckinghamshire County Council (BCC) to accommodate a "bulge class" of 25 students for the Sept 2015 Year 7 intake, this agreement continued for the years 2016 and 2017. The school changed its PAN number to 230 for the Year 7 intake in September 2018. The agreement with BCC included a commitment from them to fund the additional accommodation and the lagged pupil funding. The current Year 11 cohort is final cohort that entered the school when the PAN was 205.

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 opts into the Risk Protection Arrangement.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Method of Recruitment and Appointment or Election of Trustees

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

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Governors depends on their existing experience. All Governors are encouraged to continue to improve on their knowledge and expertise through different avenues including Online and Face to Face Training. The Academy buys back into the Governor Support package provided by Bucks Learning Trust 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.

The Chair and Head Teacher meet all new Governors and they 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.

Organisational Structure

The structure consists of the Governing body (Trustees), 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 the Vision and strategic aims of the Academy. They hold the Head Teacher to account for achieving this strategy.

This includes reviewing and agreeing general school policy, adopting an annual plan and budget, monitoring the use of budgets and making 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 Governors hold the Headteacher to account.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Organisational Structure (continued)

The Headteacher is responsible for the recruitment, retention and remuneration of staff reporting to the Pay Review Committee. This committee sits as a sub-committee of the Learning and Personnel 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 2017/18 there were also four members of staff co-opted to the Leadership Team as Associate Assistant Headteachers. In normal circumstances, 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 according 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 for determining the salary progression of all staff. This includes the academy's key management personnel. The school follows the National pay scales produced by the DfE for teaching staff and Local Authority for Associate Staff. Pay progression is based on performance input and outcomes as well as the National Pay guidance.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period

Full-time equivalent employee number

None

None

Percentage of time spent on facility time

Percentage of time

Number of employees

0%

None

1%-50%

None

51%-99%

None

100%

None

Percentage of pay bill spent on facility time

Provide the total cost of facility time

Nil

Provide the total pay bill

Nil

Provide the percentage of the total pay bill spent on facility time, calculated as:

Nil

$(\text{total cost of facility time} \div \text{total pay bill}) \times 100$

Paid trade union activities

Time spent on paid trade union activities such as a percentage of total paid facility time hours calculated as:

Nil

$(\text{total hours spent on paid trade union activities by relevant union officials during the relevant period} \div \text{total paid facility time hours}) \times 100$

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

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.

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. The 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 "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 six main headings. Further detail can be found in the School Improvement Plan and Self Evaluation Form

Learning and Curriculum - A broad and balanced curriculum fit for today and the future which challenges aspirations and achievement for all is a reality.

Students – Students enjoy school with a strong sense of self-belief and collective identity. They appreciate diversity and value the importance of giving. They will become successful global citizens – ready for life, and will be life-long learners

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Objectives, Strategies and Activities (continued)

Staff - Staff are a dynamic, highly skilled and passionate team with a shared vision of: successful and outstanding teaching and learning, feeling valued as individuals

Estate Management/Environment – We have a high quality safe environment which inspires students, staff and the community to excel

Finance – Great Marlow School is financially secure through highly effective management of existing resources and by developing our relationship with commerce/community on local, national and international levels. sources and by developing our relationship with commerce/community on local, national and international levels

Leadership Team and Governors – A skilled, dedicated LT and Governing body delivering the best outcomes. They believe in the school's values and drive the school forward with a clear vision and strategy

All the objectives are owned by members of the Leadership Team and monitored through specific Governor Committee meetings and the Full Board. Governor professional skills are used to support the Leadership team and some Governors have responsibility for key areas of the school such as Safeguarding and GDPR. Monitoring Visits are used to focus on specific areas. Monitoring methods include mapping progress against our Vision and Values and against the SIP (School Improvement Plan) targets and other National figures. The Leadership team is challenged against the agreed SIP at regular Full Board and Committee meetings as well as Monitoring and other visits.

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.
- A strong focus on positive behaviour both in school and in the community

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

STRATEGIC REPORT

Achievements and Performance

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

Learning and Curriculum

Strategy Statement – **A broad and balanced curriculum fit for today and the future which challenges aspirations and achievement for all is a reality.**

School Priorities:

1. To further improve the outcomes at KS3, KS4 and KS5 particularly for disadvantaged and identified learner groups
2. To ensure a relentless focus on improving the quality of learning and teaching. Quality first teaching
3. To Further develop the vocational offer at KS4 and KS5 by providing a broader and more balanced curriculum fit for today and the future

Academic Results

GCSE RESULTS 2018

Number of students in cohort:	203
Attainment 8 score	46.7
Percentage of students achieving grades 9-4 in English and Maths	68%
Percentage of students achieving grades 9-5 in English and Maths	44%

Subject	Gen	Entries	9	8	7	6	5	4	3	2	1	U	X	9-4	9-1
English Lang.	all	199		1	16	39	62	47	27	3	3	1		165	198
English Lit.	all	196	4	7	18	26	41	37	33	18	12			133	196
Maths	all	198	4	8	13	28	47	51	29	14	3	1		151	197
Art & Design	all	47		2	2	10	4	14	8	7				32	47
Citizenship	all	18	1	2	1	7	2	1	3	1				14	18
Computer Science	all	51		4	2	5	7	7	7	9	5	5		25	46
Drama	all	42	1	1	6	6	6	4	9	5	3	1		24	41
Food Preparation	all	18			1	3	3	1	8	2				8	18
French	all	30		2	2	4	7	7	8					22	30

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Achievements and Performance (continued)

Subject	Gen	Entries	9	8	7	6	5	4	3	2	1	U	X	9-4	9-1
Geography	all	97		8	13	20	20	13	18	3	2			74	97
History	all	67		5	5	9	14	5	17	5	6	1		38	66
Music	all	35		2	5	4	10	4	5	4		1		25	34
Physical Education	all	93	2	6	6	26	17	14	19	1	2			71	93
Religious Studies	all	7		1	1		2	2	1					6	7
Spanish	all	42	1	2	2	7	4	7	15	2	2			23	42

Unreformed subjects

Subject	Gen	Entries	A*	A	B	C	D	E	F	G	U	X	A*-C	A*-G
Child Dev	all	18		2	4	3	8		1				9	18
Graphics	all	13	2	2	2	1	3	3					7	13
Media Studies	all	74		9	29	23	10	2	1				61	74
Resistant Materials	all	28	1	2	7	6	6	4	1	1			16	28

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Achievements and Performance (continued)

A Level Results 2018

subject	gender	entries	A*	A	B	C	D	E	U	X	A* - C	A* - E
Anc Hist	m	5			1	4					5	5
	f	10		1	1	7	1				9	10
	all	15		1	2	11	1				14	15
Art	m											
	f	9			3	2	3	1			5	9
	all	9			3	2	3	1			5	9
Biol	m	4		2	1	1					4	4
	f	3					3				0	3
	all	7		2	1	1	3				4	7
Bus	m	6			1	4	1				5	6
	f	4		1	2	1					4	4
	all	10		1	3	5	1				9	10
Chem	m	6			2	1	1	1	1		3	5
	f	3					1	2			0	3
	all	9			2	1	2	3	1		3	8
Comp Sci	m	16				3	3	6	4		3	12
	f	1							1		0	0
	all	17				3	3	6	5		3	12
Drama	m	3					1	2			0	3
	f	3				1	2				1	3
	all	6				1	3	2			1	6
Eng Lit	m	5			1	1	2	1			2	5
	f	14				8	3	3			8	14
	all	19			1	9	5	4			10	19
French	m	1				1					1	1
	f	1				1					1	1
	all	2				2					2	2
Geog	m	4				2	1	1			2	4
	f	14		1	2	2	4	4	1		5	13
	all	18		1	2	4	5	5	1		7	17
Graph	m	4		1	1	1		1			3	4
	f	1					1				0	1
	all	5		1	1	1	1	1			3	5
Hist	m	3		1	1		1				2	3
	f	4			1	1	1	1			2	4
	all	7		1	2	1	2	1			4	7
Law	m	17			6	5	3	3			11	17
	f	19		3	5	5	1	3	2		13	17
	all	36		3	11	10	4	6	2		24	34

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Achievements and Performance (continued)

subject	gender	entries	A*	A	B	C	D	E	U	X	A* - C	A* - E
Maths	m	19		5	1	8	2	2	1		14	18
	f	4	1		2	1					4	4
	all	23	1	5	3	9	2	2	1		18	22
Media Studies	m	14			1	10	3				11	14
	f	20			7	9	3	1			16	20
	all	34			8	19	6	1			27	34
Music	m	1				1					1	1
	f	3					2	1			0	3
	all	4				1	2	1			1	4
Phys Ed	m	6		1	2	2		1			5	6
	f	1					1				0	1
	all	7		1	2	2	1	1			5	7
Physics	m	10			2	2	3	2	1		4	9
	f	1					1				0	1
	all	11			2	2	4	2	1		4	10
Politics	m	2			1		1				1	2
	f	4				2	1	1			2	4
	all	6			1	2	2	1			3	6
Psych	m	5		1	1	3					5	5
	f	15		1	3	2	4	3	2		6	13
	all	20		2	4	5	4	3	2		11	18
Span	m											
	f	3		2			1				2	3
	all	3		2			1				2	3
Stat	m	9		1	2	2	2	2			5	9
	f											
	all	9		1	2	2	2	2			5	9
Text	m											
	f	7	1	3	2		1				6	7
	all	7	1	3	2		1				6	7
All subjects	m	140	0	12	24	51	24	22	7		87	133
	f	144	2	12	28	42	34	20	6		84	138
	all	284	2	24	52	93	58	42	13		171	271
All subjects (%)	m	49.3	0.0	8.6	17.1	36.4	17.1	15.7	5.0		62.1	95.0
	f	50.7	1.4	8.3	19.4	29.2	23.6	13.9	4.2		58.3	95.8
	all	100	0.7	8.5	18.3	32.7	20.4	14.8	4.6		60.2	95.4

Students

Strategy Statement – Students enjoy school with a strong sense of self- belief and collective identity. They appreciate diversity and value the importance of giving. They will become successful global citizens – ready for life and will be life long learners.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Achievements and Performance (continued)

Staff

Strategy Statement – **Staff are a dynamic, highly skilled and passionate team with a shared vision of: successful and outstanding teaching and learning, feeling valued as individuals. Students enjoy school with a strong sense of self- belief and collective identity. They appreciate diversity and value the importance of giving. They will become successful global citizens – ready for life and will be life-long learners.**

Estate Management

Strategy Statement – **We have a high quality, safe environment which inspires students, staff and the community to excel**

Finance

Strategy Statement – **Great Marlow School is financially secure through highly effective management of existing resources and by developing our relationship with commerce/community on local, national and international levels.**

Leadership Team and Governance

Strategy Statement – **A skilled, dedicated Leadership Team and Governing body delivering the best outcomes. They believe in the school's values and drive the school forward with a clear vision and strategy.**

For more detailed information please refer to the Financial sections and the Governance statement in this report, as well as the school improvement Plan.

Key Performance Indicators

Please see non-financial outcomes in achievements and performance above.

Financial and Investment Performance

In the current climate the main key performance indicator is to operate with a balanced budget 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 2018, Total staff costs were £5,828,966 (Last year £5,695,965) or 82.5% (Last Year 83.8%) 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.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

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 2018 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the period ended 31 August 2018, total expenditure of £7,144,906 exceeded the income for the same period by £282,495, (excluding the Pension scheme actuarial gains) or £220,290 (excluding capital/pensions).

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 2018 the net book value of fixed assets was £17,923,720 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.

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 period from 1st September 2017 to 31st August 2018, the Sports Centre traded at an operating profit.

Reserves Policy

The Finance and Resources 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 for the 2014/15 budget year. 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 is currently let out to tenants. This has been extended for a further 12 month period.

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 2018 and identify the amount of any restricted funds not available for general purposes of the academy trust at 31 August 2018.

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Reserves Policy(continued)

The trust must also review the balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2018. In the statements that follow this would be a net surplus of £262,405.

At 31 August 2016 the total funds comprised:

Unrestricted		247,189
Restricted:	Fixed asset funds	17,936,692
	Pension reserve	(2,543,000)
	Other	15,216
		<u>15,656,097</u>

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 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.

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.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Principal Risks and Uncertainties

The Academy Trust practices through its Board, namely the Governing Body and the constituted subcommittees, risk management principles. The academy's Risk Register is checked Annually by the Governing Body and any major risks highlighted at any sub-committee during the year 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 objectivesContinuing 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,
 - Five year financial plan for the Sports Centre together with monthly financial reports which are reviewed against targets.

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 took 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

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

FUNDRAISING

The school is financed by Central and Local Government monies related to students. The Academy does not fundraise itself. Friends of Great Marlow, our parent association raise funds for the school through events and donations.

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 years 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.

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.

This Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 26th November 2018 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 2018

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 3 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)	3	3
J Beukes		3	3
R Bowen Evans		2	3
S Brooks	(Chairman from 5 October 2015 onwards)	3	3
J Brown		2	3
A Cachioli		2	3
T Castle		2	3
K Goulding		1	3
C King		2	3
J Pearce		3	3
S Wheeler		3	3
R Wilson		3	3
P Burden		3	3
S Collins		2	3
S Funnell		1	3
C Legerton		1	3
S Money		1	3
C Neal		1	3
J Ricketts		3	3
G Van der Pant		1	3
A Walker		3	3
Observers			
M Ballard	(Business Manager)	3	3
G Pendlebury	(Deputy Head)	3	3
N Maguire	(Deputy Head)	3	3

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

GOVERNANCE (continued)

The Finance and Resources committee is a sub-committee of the main governing body. Its purpose is to oversee the school's financial and Resources 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 3 scheduled meetings in the year as well as additional Monitoring Visits which looked in more depth at areas covered by this sub committee.

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

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
J Beukes	1	3
S Brooks	3	3
K Ford (HT)	3	3
K Goulding	1	3
R Wilson (Committee Chair)	3	3
P Burden	3	3
S Funnell	3	3
S Money	3	3
C Neal	1	3
G Van Der Pant	2	3
A Walker	3	3

The Learning and Personnel committee is a sub-committee of the main governing body. Its purpose is to agree the Curriculum plans, review Targets and Results and oversee Human Resource management as well as approve the school's policies and procedures.

There were 3 scheduled meetings in the year as well as an additional Monitoring visits which looked in more depth at areas covered by this sub-committee.

The Business Manager, Deputy Head Teachers, Assistant Heads and Directors of Learning were also invited to attend as observers.

Attendance at the Committee meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
T Castle (Committee Chair)	1	3
R Bowen Evans	1	3
S Brooks	3	3
J Brown	1	3
A Cachiolli	2	3
K Ford (HT)	3	3
P Burden	3	3
S Collins	3	3
C Legerton	3	3
J Ricketts	3	3

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

REVIEW OF GOVERNANCE

The Governing body undertakes an Annual Self Evaluation and Skills audit to identify areas for further development. They also met regularly with the school's Professional Advisor and undertook an external review of Governance. Following a recognition in 2017 that Challenge by all Governors could be improved further a number of changes were made to the structure and process of Governance. The number of Full Board and Committee meeting were reduced to minimise duplication and free up more time to carry out more intense monitoring visits that could drill into aspects of the school more deeply and give more time for challenge. All information for meetings is now provided in advance to Governors to enable them to send in questions in advance of the meeting. This enables a greater depth of challenge and understanding and additionally, a greater focus on actions and outcomes.

Please see more information about Governance in "Policies and Procedures" adopted for the Induction and "Training of Trustees and Organisational Structure" earlier in the report. Further information can be found in the Governor SEF carried out February 2018 which will be reviewed again in the Spring term 2019

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.

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 August 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the 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 August 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

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 considers the need for a specific internal audit function. The school has appointed Mr R Smith from August 2017 who is also 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. A visit has taken place through the period and a full written report 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.

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 26 November 2018 and signed on its behalf by:

.....
S Brooks
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 2018**

As accounting officer of Great Marlow School I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency 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 2017.

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 2017.

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

26 November 2018

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2018

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 Academies Accounts Direction issued by the Education & 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 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable Group will continue in business.

The 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 26 November 2018 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 2018 which comprise the Consolidated Statement of Financial Activities incorporating Income and Expenditure Account, the Consolidated and Academy Trust Balance Sheets, the 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Academy Trust's affairs as at 31 August 2018 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 2017 to 2018 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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.

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 Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report 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' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

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

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 or the parent Academy Trust or to cease operations, or have no realistic alternative but to do so.

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

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

USE OF OUR REPORT

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

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

Date: 20 December 2018

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 13 July 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, 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 2017 to 31 August 2018 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 2017, 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 2017 to 2018. 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 2017 to 31 August 2018 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 2017 to 2018 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.

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO GREAT MARLOW SCHOOL AND THE EDUCATION & 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 2017 to 31 August 2018 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
Statutory Auditors

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

Date: 20 December 2018

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2018

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:						
Donations and capital grants	2	-	7,910	269,751	277,661	516,696
Charitable activities	5	-	6,579,886	-	6,579,886	6,457,317
Other trading activities	3	416,236	5,365	-	421,601	383,975
Investments	4	858	-	-	858	1,055
TOTAL INCOME		417,094	6,593,161	269,751	7,280,006	7,359,043
EXPENDITURE ON:						
Raising funds	6	207,507	-	-	207,507	204,223
Charitable activities	8	69,804	7,064,205	387,598	7,521,607	7,199,669
TOTAL EXPENDITURE	6	277,311	7,064,205	387,598	7,729,114	7,403,892
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	20	139,783 (12,754)	(471,044) 4,002	(117,847) 8,752	(449,108) -	(44,849) -
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
Actuarial gains on defined benefit pension schemes	26	-	647,000	-	647,000	888,000
NET MOVEMENT IN FUNDS		127,029	179,958	(109,095)	197,892	843,151
RECONCILIATION OF FUNDS:						
Total funds brought forward	20	120,160	(2,707,742)	18,045,787	15,458,205	14,615,054
TOTAL FUNDS CARRIED FORWARD		247,189	(2,527,784)	17,936,692	15,656,097	15,458,205

The notes on pages 34 to 64 form part of these financial statements.

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

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	13		17,923,720		17,642,116
CURRENT ASSETS					
Stocks	16	2,055		-	
Debtors	17	207,523		292,256	
Cash at bank and in hand		614,862		994,877	
			824,440	1,287,133	
CREDITORS: amounts falling due within one year	18	(549,063)		(579,376)	
NET CURRENT ASSETS			275,377		707,757
TOTAL ASSETS LESS CURRENT LIABILITIES			18,199,097		18,349,873
CREDITORS: amounts falling due after more than one year	19		-		(16,668)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			18,199,097		18,333,205
Defined benefit pension scheme liability	26		(2,543,000)		(2,875,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			15,656,097		15,458,205
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	20	15,216		167,258	
Restricted fixed asset funds	20	17,936,692		18,045,787	
Restricted income funds excluding pension liability		17,951,908		18,213,045	
Pension reserve	20	(2,543,000)		(2,875,000)	
Total restricted income funds			15,408,908		15,338,045
Unrestricted income funds	20		247,189		120,160
TOTAL FUNDS			15,656,097		15,458,205

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

CONSOLIDATED BALANCE SHEET (continued)
AS AT 31 AUGUST 2018

The financial statements on pages 28 to 64 were approved by the Trustees, and authorised for issue, on 26 November 2018 and are signed on their behalf, by:

.....
S Brooks
Chair of Trustees

The notes on pages 34 to 64 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 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	13		17,923,720		17,642,116
Investments	14		1		1
			<u>17,923,721</u>		<u>17,642,117</u>
CURRENT ASSETS					
Debtors	17	300,473		381,113	
Cash at bank and in hand		590,500		988,199	
		<u>890,973</u>		<u>1,369,312</u>	
CREDITORS: amounts falling due within one year	18	(523,386)		(568,033)	
			<u>367,587</u>		<u>801,279</u>
NET CURRENT ASSETS					
TOTAL ASSETS LESS CURRENT LIABILITIES			18,291,308		18,443,396
CREDITORS: amounts falling due after more than one year	19		<u>-</u>		<u>(16,668)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			18,291,308		18,426,728
Defined benefit pension scheme liability	26		(2,543,000)		(2,875,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			15,748,308		<u>15,551,728</u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	21	15,216		167,258	
Restricted fixed asset funds	21	17,936,692		18,045,787	
Restricted funds excluding pension asset		17,951,908		18,213,045	
Pension reserve	21	(2,543,000)		(2,875,000)	
Total restricted funds			15,408,908		15,338,045
Unrestricted funds	21		339,400		213,683
TOTAL FUNDS			15,748,308		<u>15,551,728</u>

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

ACADEMY TRUST BALANCE SHEET (continued)
AS AT 31 AUGUST 2018

The financial statements were approved by the Trustees, and authorised for issue, on 26 November 2018 and are signed on their behalf, by:

.....
S Brooks
Chair of Trustees

The notes on pages 34 to 64 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 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by operating activities	23	<u>35,245</u>	<u>69,565</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		858	1,055
Purchase of tangible fixed assets		(669,202)	(350,160)
Capital grants from DfE Group		263,320	456,603
Capital funding received from sponsors and others		6,431	49,638
Net cash (used in)/provided by investing activities		<u>(398,593)</u>	<u>157,136</u>
Cash flows from financing activities:			
Repayments of borrowings		(16,667)	-
Net cash used in financing activities		<u>(16,667)</u>	<u>-</u>
Change in cash and cash equivalents in the year		(380,015)	226,701
Cash and cash equivalents brought forward		<u>994,877</u>	<u>768,176</u>
Cash and cash equivalents carried forward	24	<u><u>614,862</u></u>	<u><u>994,877</u></u>

The notes on pages 34 to 64 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

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 2017 to 2018 issued by ESFA, the Charities Act 2011 and 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.

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

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 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

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 the subsidiary's 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 section 408 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 £442,416 (2017 - £58,399 loss) before actuarial gains/losses.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

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 and assets under construction, 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:

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

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.

1.10 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.11 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.

1.12 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.

1.13 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.

1.14 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.

1.15 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 17. 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 18 and 19. 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 instrument. 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 2018

1. ACCOUNTING POLICIES (continued)

1.16 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 26, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, 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 multi-employer 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 2018

1. ACCOUNTING POLICIES (continued)

1.17 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 26, 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 2018. 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 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations	-	7,910	-	7,910	10,455
Capital grants	-	-	263,320	263,320	456,603
Donated assets	-	-	6,431	6,431	49,638
	-	7,910	269,751	277,661	516,696
Total 2017	-	10,455	506,241	516,696	

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

3. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Rental income	23,337	-	23,337	26,212
Other income	111,972	5,365	117,337	26,135
School clubs - rowing income	61,000	-	61,000	81,331
Catering income	6,708	-	6,708	1,899
Insurance reimbursement	4,400	-	4,400	30,625
Income from trading subsidiary	208,819	-	208,819	217,773
	<u>416,236</u>	<u>5,365</u>	<u>421,601</u>	<u>383,975</u>
Total 2017	<u>371,021</u>	<u>12,954</u>	<u>383,975</u>	

4. INVESTMENT INCOME

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest receivable	858	-	858	1,055
	<u>858</u>	<u>-</u>	<u>858</u>	<u>1,055</u>
Total 2017	<u>1,055</u>	<u>-</u>	<u>1,055</u>	

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	5,779,929	5,779,929	5,767,576
Pupil premium	-	154,070	154,070	156,339
Other DfE/ESFA revenue grants	-	59,031	59,031	44,443
	-	5,993,030	5,993,030	5,968,358
Other government grants				
Local Authority SEN income	-	155,556	155,556	126,708
Other Local Authority income	-	153,896	153,896	125,012
	-	309,452	309,452	251,720
Other funding				
Trip income	-	134,064	134,064	163,989
Other income	-	143,340	143,340	73,250
	-	277,404	277,404	237,239
	-	6,579,886	6,579,886	6,457,317
Total 2017	-	6,457,317	6,457,317	

There are no unfulfilled conditions or other contingencies attached to the government grants above.

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

6. EXPENDITURE

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Expenditure in subsidiary					
Direct costs	140,118	-	67,389	207,507	204,223
Support costs	-	-	-	-	-
Academy's educational operations:					
Direct costs	4,725,726	-	720,942	5,446,668	5,239,905
Support costs	963,122	805,452	306,365	2,074,939	1,959,764
	5,828,966	805,452	1,094,696	7,729,114	7,403,892
Total 2017	5,695,956	733,042	974,894	7,403,892	

In 2018, of the total expenditure of £7,729,114 (2017: £7,403,892) £277,311 (2017: £249,434) was to unrestricted funds, £7,064,205 (2017: £6,797,993) was to restricted funds and £387,598 (2017: £356,465) was to restricted fixed asset funds.

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	2,822	-	

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

8. CHARITABLE ACTIVITIES

	Total funds 2018 £	Total funds 2017 £
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Teaching and educational support staff costs	4,725,726	4,648,322
Other staff costs	26,342	34,115
Technology costs	34,564	14,488
Educational supplies	184,615	156,833
Examination fees	92,883	99,829
Educational consultancy	9,617	9,529
Other direct costs	372,921	292,648
	<u>5,446,668</u>	<u>5,255,764</u>
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Support staff costs	954,872	913,153
Depreciation	387,598	356,465
Pension finance costs	71,000	74,000
Other staff costs	1,803	1,945
Maintenance of premises and equipment	143,814	89,602
Cleaning	91,428	82,937
Rent and rates	49,140	42,614
Energy	85,112	81,421
Catering supplies	3,402	6,249
Non staff related insurance	32,826	31,456
Legal and professional	48,486	52,576
Other support costs	182,888	189,640
Governance costs	22,570	21,847
	<u>2,074,939</u>	<u>1,943,905</u>
	<u><u>7,521,607</u></u>	<u><u>7,199,669</u></u>

9. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets: - owned by the charitable group	387,598	356,465
Auditors' remuneration - audit	10,300	10,300
Auditors' remuneration - other services	2,500	3,297
Operating lease rentals	40,058	69,977
	<u><u>40,058</u></u>	<u><u>69,977</u></u>

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

10. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018	2017
	£	£
Wages and salaries	4,391,373	4,300,289
Social security costs	389,141	359,165
Pension costs	991,894	946,400
	<hr/>	<hr/>
	5,772,408	5,605,854
Agency staff costs	48,308	81,852
Staff governance costs	8,250	8,250
	<hr/>	<hr/>
	5,828,966	5,695,956
	<hr/> <hr/>	<hr/> <hr/>

b. Staff numbers

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

	2018	2017
	No.	No.
Teachers	77	79
Administration and support	72	78
Management	9	9
	<hr/>	<hr/>
	158	166
	<hr/> <hr/>	<hr/> <hr/>

c. Higher paid staff

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

	2018	2017
	No.	No.
In the band £60,001 - £70,000	3	2
In the band £70,001 - £80,000	1	1
In the band £90,001 - £100,000	1	1

Four of the above participated in the Teacher's Pension Scheme. During the year ended 31 August 2018, pension contributions for these staff amounted to £50,887 (2017: £48,950) and £14,393 (2017: £11,972) for the one who was in the Local Government Pension Scheme.

d. Key management personnel

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 £629,205 (2017: £598,976).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

11. RELATED PARTY TRANSACTIONS - 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:

		2018	2017
		£	£
K Ford, Headteacher	Remuneration	95,000-100,000	90,000-95,000
	Pension contributions paid	15,000-20,000	15,000-20,000
S Wheeler	Remuneration	35,000-40,000	35,000-40,000
	Pension contributions paid	5,000-10,000	5,000-10,000
C King (resigned 31 August 2018)	Remuneration	40,000-45,000	35,000-40,000
	Pension contributions paid	5,000-10,000	5,000-10,000
C Legerton (resigned 31 July 2018)	Remuneration	25,000-30,000	20,000-25,000
	Pension contributions paid	0-5,000	0-5,000

Remuneration disclosures for Trustees who resigned prior to 1 September 2017 have not been reflected in these financial statements.

During the year ended 31 August 2018, expenses relating to travel and subsistence totalled £138 (2017: £816) was reimbursed to one Trustee (2017 - four 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
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

13. TANGIBLE FIXED ASSETS

Group and Academy	Freehold property	Furniture and fixtures	Equipment	Computer equipment	Assets under construction	Total
	£	£	£	£	£	£
Cost						
At 1 September 2017	18,148,543	11,180	482,407	581,080	120,379	19,343,589
Additions	596,546	-	22,193	21,131	29,332	669,202
Transfer between classes	120,379	-	-	-	(120,379)	-
At 31 August 2018	<u>18,865,468</u>	<u>11,180</u>	<u>504,600</u>	<u>602,211</u>	<u>29,332</u>	<u>20,012,791</u>
Depreciation						
At 1 September 2017	1,056,318	11,180	222,702	411,273	-	1,701,473
Charge for the year	243,829	-	80,217	63,552	-	387,598
At 31 August 2018	<u>1,300,147</u>	<u>11,180</u>	<u>302,919</u>	<u>474,825</u>	<u>-</u>	<u>2,089,071</u>
Net book value						
At 31 August 2018	<u>17,565,321</u>	<u>-</u>	<u>201,681</u>	<u>127,386</u>	<u>29,332</u>	<u>17,923,720</u>
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>

Freehold property additions comprise roof replacement work and various electrical wiring.

Included within freehold property is land at valuation of £6,775,000 (2017: £6,775,000) which is not depreciated.

14. FIXED ASSET INVESTMENTS

Academy trust	Shares in group undertakings
Cost	£
At 1 September 2017 and 31 August 2018	<u>1</u>
Investment in trading subsidiary	
	2018
	£
Redgrave Sports Centre Marlow Limited	1
	2017
	£
	1

GREAT MARLOW SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

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 2018	£ 42,878
Total liabilities as at 31 August 2018	£ (135,087)
Total equity as at 31 August 2018	£ (92,209)
Turnover for the year ended 31 August 2018	£ 208,819
Expenditure for the year ended 31 August 2018	£ (207,507)
Profit for the year ended 31 August 2018	£ 1,312

16. STOCKS

	<u>Group</u>		<u>Academy trust</u>	
	2018	2017	2018	2017
	£	£	£	£
Finished goods and goods for resale	2,055	-	-	-

17. DEBTORS

	<u>Group</u>		<u>Academy Trust</u>	
	2018	2017	2018	2017
	£	£	£	£
Trade debtors	53,202	32,485	39,341	23,902
Amounts owed by group undertakings	-	-	109,411	104,620
Prepayments and accrued income	118,624	234,140	116,024	226,960
VAT recoverable	35,697	25,631	35,697	25,631
	207,523	292,256	300,473	381,113

GREAT MARLOW SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

18. CREDITORS: Amounts falling due within one year

	<u>Group</u>		<u>Academy Trust</u>	
	<u>2018</u> £	<u>2017</u> £	<u>2018</u> £	<u>2017</u> £
Trade creditors	140,401	134,912	134,019	134,231
Other taxation and social security	116,422	108,981	105,831	105,540
Other creditors	16,667	16,666	16,667	16,666
Accruals and deferred income	275,573	318,817	266,869	311,596
	549,063	579,376	523,386	568,033

	<u>Group</u>		<u>Academy Trust</u>	
	<u>2018</u> £	<u>2017</u> £	<u>2018</u> £	<u>2017</u> £
Deferred income				
Deferred income at 1 September 2017	29,464	33,320	26,443	33,320
Resources deferred during the year	100,191	29,464	96,468	26,443
Amounts released from previous years	(29,464)	(33,320)	(26,443)	(33,320)
Deferred income at 31 August 2018	100,191	29,464	96,468	26,443

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 2018 to March 2019.

Included within other creditors is a loan of £16,667 (2017: £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.

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

	<u>Group</u>		<u>Academy Trust</u>	
	<u>2018</u> £	<u>2017</u> £	<u>2018</u> £	<u>2017</u> £
Other creditors	-	16,668	-	16,668

Included within other creditors is a loan of £Nil (2017: £16,668) 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.

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

20. STATEMENT OF FUNDS - GROUP

	Balance at 1 September 2017 £	Income £	Resources expended £	Transfers in/(out) £	Gains/ (losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General unrestricted funds	213,683	208,275	(69,804)	(12,754)	-	339,400
Trading subsidiary	(93,523)	208,819	(207,507)	-	-	(92,211)
	<u>120,160</u>	<u>417,094</u>	<u>(277,311)</u>	<u>(12,754)</u>	<u>-</u>	<u>247,189</u>
Restricted funds						
General Annual Grant (GAG)	-	5,779,929	(5,783,931)	4,002	-	-
SEN grant	-	155,556	(155,556)	-	-	-
Pupil premium	-	154,070	(154,070)	-	-	-
Other restricted funds	167,258	290,679	(442,721)	-	-	15,216
Other Local Authority Grants	-	153,896	(153,896)	-	-	-
Other DfE/ESFA revenue grants	-	59,031	(59,031)	-	-	-
Pension reserve	(2,875,000)	-	(315,000)	-	647,000	(2,543,000)
	<u>(2,707,742)</u>	<u>6,593,161</u>	<u>(7,064,205)</u>	<u>4,002</u>	<u>647,000</u>	<u>(2,527,784)</u>
Restricted fixed asset funds						
Fixed asset fund	17,642,116	-	(387,598)	669,202	-	17,923,720
Devolved formula capital	-	26,708	-	(26,708)	-	-
Condition improvement fund	309,966	236,612	-	(533,606)	-	12,972
Local authority	93,705	6,431	-	(100,136)	-	-
	<u>18,045,787</u>	<u>269,751</u>	<u>(387,598)</u>	<u>8,752</u>	<u>-</u>	<u>17,936,692</u>
Total restricted funds	<u>15,338,045</u>	<u>6,862,912</u>	<u>(7,451,803)</u>	<u>12,754</u>	<u>647,000</u>	<u>15,408,908</u>
Total of funds	<u>15,458,205</u>	<u>7,280,006</u>	<u>(7,729,114)</u>	<u>-</u>	<u>647,000</u>	<u>15,656,097</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

20. 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 Trust'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 Academy 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 Trust.

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.

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

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 2018.

GREAT MARLOW SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

20. STATEMENT OF FUNDS - GROUP (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2016 £	Income £	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
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>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

A CURRENT YEAR 12 MONTHS AND PRIOR YEAR 12 MONTHS COMBINED POSITION IS AS FOLLOWS:

	Balance at 1 September 2016 £	Income £	Resources expended £	Transfers in/(out) £	Gains/ (losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General unrestricted funds	171,034	362,578	(115,015)	(79,197)	-	339,400
Trading subsidiary	(107,073)	426,592	(411,730)	-	-	(92,211)
	<u>63,961</u>	<u>789,170</u>	<u>(526,745)</u>	<u>(79,197)</u>	<u>-</u>	<u>247,189</u>
Restricted funds						
General Annual Grant (GAG)	-	11,547,505	(11,570,360)	22,855	-	-
SEN grant	-	282,264	(282,264)	-	-	-
Pupil premium	-	310,409	(310,409)	-	-	-
Other restricted funds	170,672	551,327	(706,783)	-	-	15,216
Other Local Authority Grants	-	292,467	(292,467)	-	-	-
Other DfE/ESFA revenue grants	-	89,915	(89,915)	-	-	-
Pension reserve	(3,468,000)	-	(610,000)	-	1,535,000	(2,543,000)
	<u>(3,297,328)</u>	<u>13,073,887</u>	<u>(13,862,198)</u>	<u>22,855</u>	<u>1,535,000</u>	<u>(2,527,784)</u>
Restricted fixed asset funds						
Fixed asset fund	17,648,421	-	(744,063)	1,019,362	-	17,923,720
Devolved formula capital	-	52,966	-	(52,966)	-	-
Condition improvement fund	-	666,957	-	(653,985)	-	12,972
Local authority	200,000	56,069	-	(256,069)	-	-
	<u>17,848,421</u>	<u>775,992</u>	<u>(744,063)</u>	<u>56,342</u>	<u>-</u>	<u>17,936,692</u>
	<u>14,551,093</u>	<u>13,849,879</u>	<u>(14,606,261)</u>	<u>79,197</u>	<u>1,535,000</u>	<u>15,408,908</u>
Total of funds	<u><u>14,615,054</u></u>	<u><u>14,639,049</u></u>	<u><u>(15,133,006)</u></u>	<u><u>-</u></u>	<u><u>1,535,000</u></u>	<u><u>15,656,097</u></u>

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

21. STATEMENT OF FUNDS - ACADEMY

	Balance at 1 September 2017 £	Incoming resources £	Resources expended £	Transfers in/(out) £	Gains / (losses) £	Balance at 31 August 2018 £
General funds						
General unrestricted funds	213,683	208,275	(69,804)	(12,754)	-	339,400
Total unrestricted funds	213,683	208,275	(69,804)	(12,754)	-	339,400
Restricted funds						
General annual grant (GAG)	-	5,779,929	(5,783,931)	4,002	-	-
SEN grant	-	155,556	(155,556)	-	-	-
Pupil premium	-	154,070	(154,070)	-	-	-
Other restricted funds	167,258	290,679	(442,721)	-	-	15,216
Other local authority grants	-	153,896	(153,896)	-	-	-
Other DfE/ESFA revenue grants	-	59,031	(59,031)	-	-	-
Pension reserve	(2,875,000)	-	(315,000)	-	647,000	(2,543,000)
Total restricted funds	(2,707,742)	6,593,161	(7,064,205)	4,002	647,000	(2,527,784)
Restricted fixed asset funds						
Fixed asset fund	17,642,116	-	(387,598)	669,202	-	17,923,720
Devolved formula capital	-	26,708	-	(26,708)	-	-
Condition improvement fund	309,966	236,612	-	(533,606)	-	12,972
Local authority	93,705	6,431	-	(100,136)	-	-
Total restricted fixed asset funds	18,045,787	269,751	(387,598)	8,752	-	17,936,692
Total of funds	15,551,728	7,071,187	(7,521,607)	-	647,000	15,748,308

GREAT MARLOW SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

STATEMENT OF FUNDS - PRIOR YEAR - 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

NOTES TO THE FINANCIAL STATEMENTS
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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
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS - GROUP

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	17,923,720	17,923,720
Current assets	247,189	564,279	12,972	824,440
Creditors due within one year	-	(549,063)	-	(549,063)
Pension scheme liability	-	(2,543,000)	-	(2,543,000)
	<u>247,189</u>	<u>(2,527,784)</u>	<u>17,936,692</u>	<u>15,656,097</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - GROUP - PRIOR YEAR

	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 - ACADEMY

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	17,923,720	17,923,720
Investments	-	1	-	1
Current assets	339,400	514,410	12,972	866,782
Creditors due within one year	-	(499,195)	-	(499,195)
Creditors due in more than one year	-	-	-	-
Pension scheme liability	-	(2,543,000)	-	(2,543,000)
	<u>339,400</u>	<u>(2,527,784)</u>	<u>17,936,692</u>	<u>15,748,308</u>

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

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	-	-	17,642,117	17,642,117
Investments	-	1	-	1
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>(2,707,741)</u>	<u>18,045,787</u>	<u>15,551,729</u>

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

	Group	
	2018	2017
	£	£
Net expenditure for the year (as per Statement of Financial Activities)	(449,108)	(44,849)
Adjustment for:		
Depreciation charges	387,598	356,465
Dividends, interest and rents from investments	(858)	(1,055)
Increase in stocks	(2,055)	-
Decrease/(increase) in debtors	84,733	(143,672)
(Decrease)/increase in creditors	(30,314)	113,917
Capital grants from DfE and other capital income	(269,751)	(506,241)
Pension adjustment	315,000	295,000
Net cash provided by operating activities	<u>35,245</u>	<u>69,565</u>

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group	
	2018	2017
	£	£
Cash in hand	614,862	994,877
Total	<u>614,862</u>	<u>994,877</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

25. CAPITAL COMMITMENTS

At 31 August 2018 the Group and Academy Trust had capital commitments as follows:

	<u>Group</u>		<u>Academy Trust</u>	
	2018 £	2017 £	2018 £	2017 £
Contracted for but not provided in these financial statements	27,055	309,966	27,055	309,966

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

26. PENSION COMMITMENTS (continued)

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

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £488,000 (2017 - £471,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

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

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 2018 was £327,000 (2017 - £322,000), of which employer's contributions totalled £257,000 (2017 - £254,000) and employees' contributions totalled £70,000 (2017 - £68,000). 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:

	2018	2017
Discount rate for scheme liabilities	2.65 %	2.60 %
Rate of increase in salaries	3.80 %	4.20 %
Rate of increase for pensions in payment / inflation	2.30 %	2.70 %
Inflation assumption (CPI)	2.30 %	2.70 %
RPI increases	3.30 %	3.60 %

GREAT MARLOW SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

26. 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:

	2018	2017
Retiring today		
Males	24.0	23.9
Females	26.1	26.0
Retiring in 20 years		
Males	26.3	26.2
Females	28.5	28.3

	At 31 August 2018	At 31 August 2017
	£	£
Sensitivity analysis - present value of total obligation		
Discount rate +0.1%	5,547,000	5,541,000
Discount rate -0.1%	5,810,000	5,804,000
Mortality assumption - 1 year increase	5,869,000	5,860,000
Mortality assumption - 1 year decrease	5,491,000	5,488,000
CPI rate +0.1%	5,797,000	5,784,000
CPI rate -0.1%	5,560,000	5,561,000

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

	Fair value at 31 August 2018	Fair value at 31 August 2017
	£	£
Equities	1,645,000	1,561,000
Gilts	371,000	272,000
Corporate bonds	384,000	364,000
Property	230,000	206,000
Cash and other liquid assets	187,000	96,000
Alternative assets	317,000	297,000
Total market value of assets	3,134,000	2,796,000

The actual return on scheme assets was £97,000 (2017 - £295,000).

GREAT MARLOW SCHOOL
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

26. PENSION COMMITMENTS (continued)

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

	2018	2017
	£	£
Current service cost	(498,000)	(473,000)
Interest cost	(71,000)	(74,000)
Administration expenses	(3,000)	(2,000)
Total	<u>(572,000)</u>	<u>(549,000)</u>

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

	2018	2017
	£	£
Opening defined benefit obligation	5,671,000	5,652,000
Current service cost	498,000	473,000
Interest cost	147,000	125,000
Employee contributions	70,000	68,000
Actuarial gains	(626,000)	(620,000)
Benefits paid	(83,000)	(27,000)
Closing defined benefit obligation	<u>5,677,000</u>	<u>5,671,000</u>

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

	2018	2017
	£	£
Opening fair value of scheme assets	2,796,000	2,184,000
Return on plan assets (excluding net interest on the net defined pension liability)	76,000	51,000
Actuarial gains	21,000	268,000
Employer contributions	257,000	254,000
Employee contributions	70,000	68,000
Estimates benefits paid plus unfunded net of transfers in	(83,000)	(27,000)
Administration expenses	(3,000)	(2,000)
Closing fair value of scheme assets	<u>3,134,000</u>	<u>2,796,000</u>

The amount shown in the Statement of Financial Activities is:

	2018	2017
	£	£
Changes in financial assumptions	626,000	620,000
Return on assets excluding amounts included in net interest	21,000	268,000
Actuarial gains/(losses) on defined benefit pension schemes	<u>647,000</u>	<u>888,000</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

PENSION COMMITMENTS (continued)

The amount shown in the Balance Sheet is:

	2018	2017
	£	£
Present value of defined benefit obligation	(5,677,000)	(5,671,000)
Fair value of scheme assets	3,134,000	2,796,000
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Defined benefit pension scheme liability	(2,543,000)	(2,875,000)
	<hr/> <hr/>	<hr/> <hr/>

27. OPERATING LEASE COMMITMENTS

At 31 August 2018 the total of the Group's future minimum lease payments under non-cancellable operating leases was:

Group and Academy trust	2018	2017
	£	£
Amounts payable:		
Within 1 year	16,348	15,817
Between 1 and 5 years	36,041	48,219
	<hr/>	<hr/>
Total	52,389	64,036
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

28. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy Trust 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 Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook and with the trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

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 £5,045 (2017: £8,251) 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 £36 (2017: £Nil) 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 £50 (2017: £1,728) was provided by Pearce Bennett Ltd.

M Gennery is the father in law 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 £625 (2017: £1,675).

No other related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.

29. 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.