

**GREAT MARLOW SCHOOL**

**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2019**

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

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

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**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Members**

S Brooks  
A Cacchiolli  
K Ford  
K Goulding Resigned 8 July 2019  
R Wilson

**Trustees**

J Beukes	Community Governor	
R Bowen Evans	Community Governor	resigned 26 November 2018
S Brooks *	Community Governor	(Chairman)
J Brown	Parent Governor	
P Burden	Community Governor	Resigned 8 July 2019
A Cacchiolli	Community Governor	
T Castle	Community Governor	
S Collins	Community Governor	Resigned 19 September 18
K Ford	Ex-officio - Headteacher & accounting officer	
S Funnell	Community Governor	
K Goulding	Community Governor	Resigned 8 July 2019
C Neal	Community Governor	Resigned 5 March 2019
J Pearce	Parent Governor	
J Ricketts	Parent Governor	
A Walker	Parent Governor	
S Wheeler	Staff Governor	
R Wilson	Community Governor	
P Honey	New Community Governor from 8th July 2019	

**Company Secretary**

M Ballard Commercial and Operations Director

**Senior Management Team**

M Ballard	Commercial and Operations Director
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

**REFERENCE AND ADMINISTRATIVE DETAILS (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**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

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

The trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year starting 1<sup>st</sup> September 2018 and ending 31 August 2019. 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 2019 was 1395, represented by;

Year Group	7	8	9	10	11	12/13	Total
Students	230	233	231	230	228	243	1395

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 Year 11 cohort which received their results in August 2019 were the 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'/Trustees 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 2019**

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**Method of Recruitment and Appointment or Election of Trustees**

All Trustees are also Governors.

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

Trustees 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 Education Partnership 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 2019**

**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 Commercial and Operations Director and Finance Staff and these delegations are reviewed annually.

The Leadership Team comprises the Headteacher, 2 Deputy Headteachers, the Commercial and Operations Director and 3 Assistant Headteachers

In 2018/19 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**

Total cost of facility time	Nil
Total pay bill	Nil
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	Nil

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Trade union facility time (continued)**

**Paid trade union activities**

Time spent on paid trade union activities such as a percentage of total paid facility time hours calculated as:  
(total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100

Nil

**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's Vision is to ensure a high quality learning environment that inspires students, staff and the Community to be compassionate, successful and resilient contributors that will create 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.

Great Marlow School aims to be a place where 'Opportunities are Created; Potential is Realised; and Excellence is Achieved.

**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.



**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Objectives, Strategies and Activities (continued)**

To create opportunities, release potential and achieve excellence all members of the school community must adopt a shared set of values. GMS's core values are:-

- compassion
- honesty and integrity
- equality

**Through our vision and values, we strive to:**

- Drive the school forward with a clarity of vision and strategy implemented by a skilled, dedicated leadership team and governors
- Provide a broad and balanced curriculum fit for today's world and the future, which challenges aspirations and makes achievement for all a reality
- Enable Students to enjoy school, leading to them to becoming life long learners
- Develop successful global citizens by promoting a strong sense of identity; an appreciation of diversity; and the value of giving through charitable endeavours
- Develop a staff who are dynamic, highly skilled and passionate and who have a shared vision to deliver successful and outstanding teaching and learning
- Deliver a high quality, safe school environment that inspires students, staff and the community to excel.
- Ensure the school is financially secure through highly effective management of existing resources, while further developing our relationship with our community and commerce locally, nationally and internationally

All the objectives are owned by members of the Leadership Team and monitored through specific Governor Committee meetings and the Full Board. Governors' 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 2019**

**STRATEGIC REPORT**

**Achievements and Performance**

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

Key Stage 4 Results 2019

Attainment 8 score	47.99
Progress 8 score	+ 0.03
Grade 5+ (good pass) in English and Maths	42 %
Grade 4+ (standard pass) in English and Maths	73 %
Good pass in English	68 %
Standard pass in English	87 %
Good pass in Maths	47 %
Standard pass in Maths	74 %
5+ grades at 9 – 4, including English and Maths	70 %

subject	entries	9 - 4 %	9 - 5 %	9 - 7 %	APS
Art and Design	43	74.4	62.8	14.0	4.81
Business Studies	64	81.3	73.4	37.5	5.61
Child Learning & Development	19	94.7	68.4	52.6	6.29
Citizenship Studies	21	95.2	85.7	23.8	5.71
Computer Science	26	57.7	46.2	23.1	4.73
D&T: Graphics	8	62.5	37.5	12.5	4.25
D&T: Resistant Materials	15	53.3	26.7	13.3	4.07
D&T: Textiles	4	100	50.0	50.0	5.50
Drama	34	82.4	64.7	17.7	5.06
English Language	195	88.2	62.6	16.9	5.09
English Literature	193	73.6	55.4	17.6	4.72
Food Preparation & Nutrition	15	66.7	26.7	6.7	4.13
French	21	85.7	71.4	38.1	5.67
Geography	94	75.5	60.6	20.2	5.00
History	101	60.4	43.6	14.9	4.26
Mathematics	194	76.8	49.0	21.1	4.74
Media Studies	71	80.3	57.8	18.3	4.93
Music	38	60.5	47.4	13.2	4.26
Physical Education	78	76.9	56.4	19.2	4.90
Religious Studies	13	92.3	76.9	30.8	5.69
Science Trilogy	193	66.3	42.5	12.4	4.64
Spanish	30	90.0	83.3	46.7	6.00
Statistics	66	95.5	81.8	30.3	5.82

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

<b>SUBJECT</b>	<b>No. of students</b>	<b>RESULTS</b>	<b>RESULTS</b>	<b>RESULTS</b>
<b>Whole Cohort</b>		<b>35.8</b>	<b>69.1</b>	<b>98.0</b>
<b>A Level</b>		<b>A* - B</b>	<b>A* - C</b>	<b>A* - E</b>
Ancient History	3	<b>100</b>	<b>100</b>	100
Art	8	<b>37.5</b>	<b>37.5</b>	100
Biology	6	<b>16.7</b>	<b>83.3</b>	100
Business	13	<b>38.5</b>	<b>92.3</b>	100
Chemistry	3	<b>33.3</b>	<b>100</b>	100
Computer Science	7	<b>0</b>	<b>28.6</b>	71.4
Drama	8	<b>0</b>	<b>37.5</b>	100
English Literature	13	<b>30.8</b>	<b>46.2</b>	100
French	3	<b>66.7</b>	<b>100</b>	100
Geography	27	<b>11.1</b>	<b>59.3</b>	100
Graphics	6	<b>16.7</b>	<b>50</b>	100
History	5	<b>100</b>	<b>100</b>	100
Law	21	<b>42.9</b>	<b>71.4</b>	100
Maths AS RESULT	6	<b>100</b>	<b>100</b>	100
Maths	5	<b>80</b>	<b>100</b>	100
Media	34	<b>50</b>	<b>88.2</b>	100
Music	1	<b>0</b>	<b>100</b>	100
Physical Education	11	<b>18.2</b>	<b>45.5</b>	100
Physics	5	<b>40</b>	<b>80</b>	100
Politics	3	<b>33.3</b>	<b>100</b>	100
Psychology	17	<b>64.7</b>	<b>88.2</b>	100
Spanish	5	<b>20</b>	<b>40</b>	80
Statistics	6	<b>0</b>	<b>33.3</b>	66.7
Textiles	4	<b>50</b>	<b>100</b>	100
<b>Vocational</b>		<b>A* - A</b>	<b>A* - B</b>	<b>A* - D</b>
CACHE	3	<b>100</b>	<b>100</b>	100
<b>Vocational</b>		<b>D*</b>	<b>D* - D</b>	<b>D* - P</b>
CDMP Nat Ext Cert	17	<b>0</b>	<b>50</b>	<b>100</b>
Sport Nat Ext Cert	11	<b>63.6</b>	<b>72.7</b>	100
Publ Serv Subs Dip	7	<b>100</b>	<b>100</b>	100
T&T Subs Dip	6	<b>83.3</b>	<b>83.3</b>	100

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**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.

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.

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.

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Key Performance Indicators**

Please see non-financial outcomes in achievements and performance above and the school improvement plan

**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 21<sup>st</sup> 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 2019, Total staff costs were £5,905,235 (Last Year: £5,539,658) or 76.7% (Last Year 83.5%) of Operational Expenses.

**Going Concern**

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

**FINANCIAL REVIEW**

Most of the Academy's income is obtained from the ESFA/DfE in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received (GAG) during the period ended 31 August 2019 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the period ended 31 August 2019, total expenditure of £8,163,445 exceeded the income for the same period by £323,269, (excluding the Pension scheme actuarial gains) and capital income and depreciation. This deficit was due to unforeseen facilities costs. Budget for the next two years has been set to reverse this deficit.

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 2019 the net book value of fixed assets was £21,571,246 and movements in tangible fixed assets are shown in Note 14 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 1<sup>st</sup> September 2018 to 31<sup>st</sup> August 2019, 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.

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**Reserves Policy (continued)**

As part of this review they assess the short, medium and long term needs of the school.

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 6<sup>th</sup> Form Centre. The new centre was formally opened on 6<sup>th</sup> 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 2019 and identify the amount of any restricted funds not available for general purposes of the academy trust at 31 August 2019.

The trust must also review the balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2019. In the statements that follow this would be £306,135 (2018: £262,405).

At 31 August 2019 the total funds comprised:

Unrestricted		306,135
Restricted:	Fixed asset funds	21,598,275
	Pension reserve	(3,393,000)
	Other	-
		<u>18,511,410</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, has now agreed 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.

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Investment Policy (continued)**

The proposal involves making further improvements to the existing school buildings and infrastructure. The new build expansion of the school is now complete and will provide even better accommodation and facilities than previously. 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.

**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 objectives;
  - Continuing to be oversubscribed;
  - Continuing to be highly regarded within the local community; and
  - Maintaining excellent public examination results
- Health & Safety risks – mitigated by:
  - Regular reviews by Building & Resources Committee;
  - Appropriate insurance; and
  - 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.

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**Principal Risks and Uncertainties (continued)**

The governing body recognise that the deficit on the LGPS is a cause for concern both now and in future years. In 2017 the next actuarial valuation 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

**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 2 December 2019 and signed on the board's behalf by:

**S Brooks**  
Chair of Trustees



**GOVERNANCE STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**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 4 times during the year). The board and its finance committee ensure robust governance and effective financial management by being provided with a full set of management accounts for each month of the financial year by an agreed timetable. In addition, from January through to August the management accounts include a forecast outturn.

Attendance during the year at meetings of the board of trustees was as follows:

<b>Trustee</b>		<b>Meetings attended</b>	<b>Out of a possible</b>
K Ford	(Headteacher from 1 September 2016)	4	4
J Beukes		4	4
R Bowen Evans	(Resigned 26 November 2018)	1	2
S Brooks	(Chairman from 5 October 2015 onwards)	4	4
J Brown		3	4
A Cachioli		3	4
T Castle		2	4
K Goulding	(Resigned 8 July 2019)	3	4
J Pearce		4	4
S Wheeler		3	4
R Wilson		4	4
P Burden	(Resigned 8 July 2019)	4	4
S Funnell		1	4
C Neal	(Resigned 5 March 2019)	1	4
J Ricketts		2	4
A Walker		3	4
P Honey		1	1
S Collins	(Resigned 19 September 2018)	0	1
<b>Observers</b>			
M Ballard	(Commercial and Operations Director)	4	4
G Pendlebury	(Deputy Head)	4	4
N Maguire	(Deputy Head)	4	4

**GOVERNANCE STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**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. Further details can be found in the Meeting Minutes.

The Commercial and Operations Director and Deputy Head Teachers are also invited to attend as observers.

Attendance at meetings in the year was as follows:

<b>Trustee</b>		<b>Meetings attended</b>	<b>Out of a possible</b>
J Beukes		2	3
S Brooks		3	3
K Ford (HT)		3	3
K Goulding	(Resigned 8 July 2019)	0	3
R Wilson	(Committee Chair)	3	3
S Funnell		3	3
A Walker		2	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. Further detail can be found in the meeting minutes.

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 Commercial and Operations Director, 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:

<b>Trustee</b>		<b>Meetings attended</b>	<b>Out of a possible</b>
T Castle	(Joint Committee Chair)	0	3
R Bowen Evans	(Resigned 26 November 2018)	1	1
S Brooks		3	3
J Brown	(Joint Committee Chair)	3	3
A Cachioli		2	3
K Ford (HT)		3	3
P Burden	(Resigned 8 July 2019)	1	3
S Collins	(Resigned 19 September 2019)	0	0
J Ricketts		3	3
S Wheeler		3	3
F Tuddenham		3	3
R Gosling		3	3

**GOVERNANCE STATEMENT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**REVIEW OF GOVERNANCE**

The Governing body undertook an Annual Self Evaluation in Spring 2019. This referred to a SEF questionnaire on Governance carried out by both Governors and Staff. Governors have also met regularly with the school's Professional Advisor and undertook an external review of Governance in Spring 2019. Actions brought forward can be found in the Governor SEF

A Skills audit carried out in Spring 2019 recognised a future need to increase the Financial and HR strength of the Governing Board (to ensure good succession planning). Governors are being recruited. 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 in Spring 2019 which will be reviewed again in the Spring term 2020

**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 1<sup>st</sup> 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 1<sup>st</sup> 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 2019**

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**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 2 December 2019 and signed on its behalf by:

**S Brooks**  
Chair of Trustees

**K Ford**  
Accounting Officer

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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As accounting officer of Great Marlow School, I have considered my responsibility to notify the Academy Trust board of Governors and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of funding received by the Academy Trust, 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 2018.

I confirm that I and the Academy Trust board of Governors are able to identify any material irregular or improper use of all 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 2018.

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 Governors and ESFA.

**K Ford**  
Accounting officer

2 December 2018

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction published 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 Group and the charitable company and of their incoming resources and application of resources, including their 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 2018 to 2019;
- 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 group will continue in business.

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

The Trustees are responsible for ensuring that in their conduct and operation the Group and the charitable company apply 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 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 2 December 2019 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**

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**Opinion**

We have audited the financial statements of Great Marlow School (the 'parent Academy Trust') and its subsidiaries (the 'Group') for the year ended 31 August 2019 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Academy Trust Balance Sheet, 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 2018 to 2019 issued by the Education & 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 parent Academy Trust's affairs as at 31 August 2019 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 2018 to 2019 issued by the Education & Skills Funding Agency.

**Basis for opinion**

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

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**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. Other information includes the Reference and Administrative Details, the Trustees' Report including the Strategic Report and the Directors' Report, the Governance Statement, the Statement on Regularity, Propriety and Compliance and the Trustees' Responsibilities Statement. 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 (incorporating the Strategic Report and the Directors Report) for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and the Directors Report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the 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 including the Strategic 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.



**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF GREAT MARLOW SCHOOL (CONTINUED)**

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**Responsibilities of trustees**

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

In preparing the financial statements, the Trustees are responsible for assessing the 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](http://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: 19 December 2019

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

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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 2018 to 2019, 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 2018 to 31 August 2019 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 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 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 2018, 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 2018 to 2019. 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 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GREAT MARLOW SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

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**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- 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;
- consideration of governance issues;
- evaluating the internal control procedures and reporting lines, and testing as appropriate; and
- making appropriate enquiries 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 2018 to 31 August 2019 has 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: 19 December 2019

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

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
<b>Income and endowments from:</b>						
Donations and capital grants	3	-	10,690	4,049,918	4,060,608	277,661
Charitable activities	4	-	7,002,446	-	7,002,446	6,579,886
Other trading activities	5	426,578	11,421	-	437,999	421,601
Investments	6	705	-	-	705	858
<b>Total income and endowments</b>		<b>427,283</b>	<b>7,024,557</b>	<b>4,049,918</b>	<b>11,501,758</b>	<b>7,280,006</b>
<b>Expenditure on:</b>						
Raising funds		172,901	-	-	172,901	207,507
Charitable activities	9	109,565	7,492,644	388,335	7,990,544	7,521,607
<b>Total expenditure</b>	7	<b>282,466</b>	<b>7,492,644</b>	<b>388,335</b>	<b>8,163,445</b>	<b>7,729,114</b>
<b>Net income/(expenditure)</b>		<b>144,817</b>	<b>(468,087)</b>	<b>3,661,583</b>	<b>3,338,313</b>	<b>(449,108)</b>
Transfers between funds	20	(85,871)	85,871	-	-	-
<b>Other recognised gains/(losses):</b>						
Actuarial losses on defined benefit pension schemes	27	-	(483,000)	-	(483,000)	647,000
<b>Net movement in funds</b>		<b>58,946</b>	<b>(865,216)</b>	<b>3,661,583</b>	<b>2,855,313</b>	<b>197,892</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		247,189	(2,527,784)	17,936,692	15,656,097	15,458,205
Net movement in funds		58,946	(865,216)	3,661,583	2,855,313	197,892
<b>Total funds carried forward</b>		<b>306,135</b>	<b>(3,393,000)</b>	<b>21,598,275</b>	<b>18,511,410</b>	<b>15,656,097</b>

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

The notes on pages 30 to 59 form part of these financial statements.

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 AUGUST 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	14	<b>21,571,246</b>	17,923,720
		<u>21,571,246</u>	<u>17,923,720</u>
<b>Current assets</b>			
Stocks	17	<b>889</b>	2,055
Debtors	18	<b>175,735</b>	207,523
Cash at bank and in hand		<b>607,240</b>	614,862
		<u>783,864</u>	<u>824,440</u>
Creditors: amounts falling due within one year	19	<b>(450,700)</b>	(549,063)
		<u>333,164</u>	<u>275,377</u>
<b>Net current assets</b>		<b>333,164</b>	275,377
<b>Total assets less current liabilities</b>		<b>21,904,410</b>	18,199,097
Defined benefit pension scheme liability	27	<b>(3,393,000)</b>	(2,543,000)
<b>Total net assets</b>		<b>18,511,410</b>	15,656,097
<b>Funds of the Academy Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	20	<b>21,598,275</b>	17,936,692
Restricted income funds	20	-	15,216
Pension reserve	20	<b>(3,393,000)</b>	(2,543,000)
<b>Total restricted funds</b>	20	<b>18,205,275</b>	15,408,908
<b>Unrestricted income funds</b>	20	<b>306,135</b>	247,189
<b>Total funds</b>		<b>18,511,410</b>	15,656,097

The financial statements on pages 26 to 59 were approved by the Trustees, and authorised for issue on 02 December 2019 and are signed on their behalf, by:

S Brooks  
Chair of Trustees

The notes on pages 30 to 59 form part of these financial statements.

**ACADEMY TRUST BALANCE SHEET**  
**AS AT 31 AUGUST 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	14	<b>21,571,246</b>	17,923,720
Investments	15	<b>1</b>	1
		<u><b>21,571,247</b></u>	<u>17,923,721</u>
<b>Current assets</b>			
Debtors	18	<b>254,364</b>	300,473
Cash at bank and in hand		<b>599,616</b>	590,500
		<u><b>853,980</b></u>	<u>890,973</u>
Creditors: amounts falling due within one year	19	<b>(437,043)</b>	(523,386)
		<u><b>416,937</b></u>	<u>367,587</u>
<b>Total assets less current liabilities</b>		<u><b>21,988,184</b></u>	<u>18,291,308</u>
Defined benefit pension scheme liability	27	<b>(3,393,000)</b>	(2,543,000)
<b>Total net assets</b>		<u><u><b>18,595,184</b></u></u>	<u><u>15,748,308</u></u>
<b>Funds of the Academy Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	20	<b>21,598,276</b>	17,936,692
Restricted income funds	20	-	15,216
Pension reserve	20	<b>(3,393,000)</b>	(2,543,000)
<b>Total restricted funds</b>	20	<u><b>18,205,276</b></u>	<u>15,408,908</u>
<b>Unrestricted income funds</b>	20	<b>389,908</b>	339,400
<b>Total funds</b>		<u><u><b>18,595,184</b></u></u>	<u><u>15,748,308</u></u>

The financial statements on pages 26 to 59 were approved by the Trustees, and authorised for issue on 02 December 2019 and are signed on their behalf, by:

S Brooks  
Chair of Trustees

The notes on pages 30 to 59 form part of these financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

	<b>Note</b>	<b>2019</b> £	2018 £
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	22	<b>(5,717)</b>	35,245
<b>Cash flows from investing activities</b>	23	<b>(16,667)</b>	(16,667)
<b>Cash flows from financing activities</b>	24	<b>14,762</b>	(398,593)
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>		<b>(7,622)</b>	(380,015)
Cash and cash equivalents at the beginning of the year		<b>614,862</b>	994,877
<b>Cash and cash equivalents at the end of the year</b>	25	<b>607,240</b>	614,862
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 30 to 59 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**1. Accounting policies**

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

**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 2018 to 2019 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 Group 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 2019**

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**1. Accounting policies (continued)**

**1.3 Income**

All incoming resources are recognised when the Academy Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

• **Grants**

Grants are included in the Consolidated 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 Consolidated Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

• **Sponsorship income**

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Consolidated Statement of Financial Activities in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

• **Donations**

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

• **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the Academy Trust has provided the goods or services.

• **Donated fixed assets (excluding transfers on conversion or into the Academy Trust)**

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.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**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**

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.

• **Charitable activities**

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

All resources expended are 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 surplus of £3,329,938 (2018 - £442,416 loss) before actuarial gains/losses.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**1. Accounting policies (continued)**

**1.7 Tangible fixed assets**

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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 each asset on a straight-line basis over its expected useful life, as follows:

Freehold property	- 50 years on buildings only
Equipment	- 5 to 7 years
Furniture and Fixtures	- 5 to 7 years
Computer equipment	- 5 years
Motor vehicles	- 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 Consolidated 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 paid under operating leases are charged to the Consolidated 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 2019**

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**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 Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**1.12 Debtors**

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

**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 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 recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result where transfer of economic benefits and the obligation can be estimated reliably.

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.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**1. Accounting policies (continued)**

**1.15 Financial instruments**

The Group only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Group and their measurement bases 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 18. Prepayments are not financial instruments. Amounts due from the 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 cost as detailed in note 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.

**1.16 Pensions**

Retirement benefits to employees of the Group are provided by the Teachers' Pension Scheme ("TPS") and the Local Government 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 Group 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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is 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 Group 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 Consolidated 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 2019**

**2. Critical accounting estimates and areas of judgement**

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

Critical accounting estimates and assumptions:

The Academy 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, 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 2019. 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.

**3. Income from donations and capital grants**

	<b>Restricted funds 2019 £</b>	<b>Restricted fixed asset funds 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Donations	10,690	3,950,528	<b>3,961,218</b>	7,910
Capital grants	-	94,890	<b>94,890</b>	263,320
Donated assets	-	4,500	<b>4,500</b>	6,431
	<u>10,690</u>	<u>4,049,918</u>	<u><b>4,060,608</b></u>	<u>277,661</u>
Total 2018	<u>7,910</u>	<u>269,751</u>	<u>277,661</u>	

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**4. Funding for the Academy Trust's educational operations**

	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>	Total funds 2018 £
<b>DfE/ESFA grants</b>			
General Annual Grant (GAG)	6,005,934	<b>6,005,934</b>	5,758,514
Pupil premium	159,284	<b>159,284</b>	154,070
Other DfE/ESFA revenue grants	87,810	<b>87,810</b>	80,446
	<hr/> 6,253,028	<hr/> <b>6,253,028</b>	<hr/> 5,993,030
<b>Other government grants</b>			
Local Authority SEN income	229,625	<b>229,625</b>	155,556
Other Local Authority Income	141,808	<b>141,808</b>	153,896
	<hr/> 371,433	<hr/> <b>371,433</b>	<hr/> 309,452
<b>Other funding</b>			
Trip and other income	377,985	<b>377,985</b>	277,404
	<hr/> 377,985	<hr/> <b>377,985</b>	<hr/> 277,404
	<hr/> <hr/> 7,002,446	<hr/> <hr/> <b>7,002,446</b>	<hr/> <hr/> 6,579,886

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**5. Income from other trading activities**

	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Catering income	6,714	-	<b>6,714</b>	6,708
Rental income	33,157	-	<b>33,157</b>	23,337
Other income	68,501	11,421	<b>79,922</b>	117,337
School clubs - rowing income	65,000	-	<b>65,000</b>	61,000
Insurance reimbursement	25,872	-	<b>25,872</b>	4,400
Income from trading subsidiary	227,334	-	<b>227,334</b>	208,819
	<u>426,578</u>	<u>11,421</u>	<u><b>437,999</b></u>	<u>421,601</u>
Total 2018	<u>416,236</u>	<u>5,365</u>	<u>421,601</u>	

**6. Investment income**

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Bank Interest recieveable	705	<b>705</b>	858
	<u>705</u>	<u><b>705</b></u>	<u>858</u>



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**7. Expenditure**

	<b>Staff Costs 2019 £</b>	<b>Premises 2019 £</b>	<b>Other 2019 £</b>	<b>Total 2019 £</b>	<b>Total 2018 £</b>
Expenditure in subsidiary					
Direct costs	147,290	1,043	24,568	<b>172,901</b>	207,507
Academy's educational operations					
Direct costs	4,979,301	-	784,387	<b>5,763,688</b>	5,446,669
Allocated support costs	1,091,301	533,909	601,646	<b>2,226,856</b>	2,074,938
	<u>6,217,892</u>	<u>534,952</u>	<u>1,410,601</u>	<u><b>8,163,445</b></u>	<u>7,729,114</u>
Total 2018	<u>5,828,966</u>	<u>805,452</u>	<u>1,094,696</u>	<u>7,729,114</u>	

In 2019, of the total expenditure of £8,163,445 (2018: £7,729,114) £282,466 (2018: £277,311) was to unrestricted funds, £7,492,644 (2018: £7,064,205) was to restricted funds and £388,335 (2018: £387,598) was to restricted fixed asset funds.

**8. Analysis of specific expenses**

Included within expenditure are the following transactions:

	<b>Total £</b>	<b>Individual items above £5,000 Amount £</b>	<b>Reason</b>
Gifts made by the trust	<b>1,229</b>	-	

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**9. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2019 £</b>	<b>Support costs 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Educational operations	5,763,688	2,226,856	<b>7,990,544</b>	7,521,607
Total 2018	5,446,669	2,074,938	7,521,607	

**Analysis of direct costs**

	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Staff costs	<b>4,979,301</b>	4,725,724
Technology costs	<b>28,306</b>	34,564
Educational supplies	<b>158,515</b>	184,615
Examination fees	<b>107,474</b>	92,883
Educational consultancy	<b>7,167</b>	9,617
Staff expenses	<b>21,331</b>	29,121
Other direct costs	<b>461,594</b>	370,145
	<b>5,763,688</b>	5,446,669

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**9. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Pension finance cost	<b>64,000</b>	71,000
Staff costs	<b>1,082,853</b>	954,874
Depreciation	<b>388,335</b>	387,597
Premises costs	<b>301,747</b>	300,288
Other support costs	<b>362,206</b>	338,609
Governance costs	<b>27,715</b>	22,570
	<b><u>2,226,856</u></b>	<b><u>2,074,938</u></b>

**10. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	<b>2019 £</b>	<b>2018 £</b>
Operating lease rentals	<b>45,816</b>	40,058
Depreciation of tangible fixed assets: - owned by the charitable group	<b>388,335</b>	387,598
Fees paid to auditors for:		
- audit	<b>10,300</b>	10,300
- other services	<b>5,600</b>	2,500
	<b><u>419,751</u></b>	<b><u>440,456</u></b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**11. Staff costs**

**a. Staff costs**

Staff costs during the year were as follows:

	<b>Group 2019 £</b>	Group 2018 £	<b>Academy Trust 2019 £</b>	Academy Trust 2018 £
Wages and salaries	<b>4,422,473</b>	4,399,623	<b>4,422,473</b>	4,399,623
Social security costs	<b>411,443</b>	389,141	<b>411,443</b>	389,141
Pension costs	<b>1,371,319</b>	991,894	<b>1,371,319</b>	991,894
	<b>6,205,235</b>	5,780,658	<b>6,205,235</b>	5,780,658
Agency staff costs	<b>12,657</b>	48,308	<b>12,657</b>	48,308
	<b>6,217,892</b>	5,828,966	<b>6,217,892</b>	5,828,966

**b. Staff numbers**

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

	<b>2019 No.</b>	2018 No.
Teachers	<b>90</b>	77
Administration and support	<b>77</b>	72
Management	<b>3</b>	9
	<b>170</b>	158

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**11. Staff costs (continued)**

**c. Higher paid staff**

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

	<b>2019</b>	2018
	<b>No.</b>	No.
In the band £60,001 - £70,000	<b>2</b>	3
In the band £70,001 - £80,000	<b>2</b>	1
In the band £90,001 - £100,000	<b>1</b>	1
	<b>=====</b>	<b>=====</b>

**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 £770,072 (2018: £629,205).

**12. 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 principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		<b>2019</b>	2018
		<b>£</b>	£
K Ford, Head Teacher	Remuneration	<b>95,000 - 100,000</b>	95,000 - 100,000
	Pension contributions paid	<b>15,000 - 20,000</b>	15,000 - 20,000
S Wheeler, Trustee	Remuneration	<b>35,000 - 40,000</b>	35,000 - 40,000
	Pension contributions paid	<b>5,000 - 10,000</b>	5,000 - 10,000
F Tuddenham, Trustee - appointed 26/11/18	Remuneration	<b>30,000 - 35,000</b>	
	Pension contributions paid	<b>5,000 - 10,000</b>	
R Gosling, Trustee - appointed 26/11/18	Remuneration	<b>25,000 - 30,000</b>	
	Pension contributions paid	<b>0 - 5,000</b>	

Remuneration disclosures for Trustees who resigned prior to 1 September 2018 have not been reflected in these financial statements.

During the year ended 31 August 2019, expenses totalling £808 were reimbursed or paid directly to 3 Trustees (2018 - £138 to 1 Trustee).

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**13. 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.

**14. Tangible fixed assets**

**Group and Academy Trust**

	Freehold property £	Assets under construction £	Equipment £	Computer equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>						
At 1 September 2018	18,865,468	29,332	504,600	602,211	11,180	20,012,791
Additions	3,975,654	-	32,517	23,190	4,500	4,035,861
Transfers between classes	-	(29,332)	29,332	-	-	-
At 31 August 2019	<u>22,841,122</u>	<u>-</u>	<u>566,449</u>	<u>625,401</u>	<u>15,680</u>	<u>24,048,652</u>
<b>Depreciation</b>						
At 1 September 2018	1,300,147	-	302,919	474,825	11,180	2,089,071
Charge for the year	265,526	-	69,725	52,709	375	388,335
At 31 August 2019	<u>1,565,673</u>	<u>-</u>	<u>372,644</u>	<u>527,534</u>	<u>11,555</u>	<u>2,477,406</u>
<b>Net book value</b>						
At 31 August 2019	<u><u>21,275,449</u></u>	<u><u>-</u></u>	<u><u>193,805</u></u>	<u><u>97,867</u></u>	<u><u>4,125</u></u>	<u><u>21,571,246</u></u>
At 31 August 2018	<u><u>17,565,321</u></u>	<u><u>29,332</u></u>	<u><u>201,681</u></u>	<u><u>127,386</u></u>	<u><u>-</u></u>	<u><u>17,923,720</u></u>

Included within freehold property is land at valuation of £6,775,000 (2018: £6,775,000) which is not depreciated.

The Academy Trust's transactions relating to land and buildings include the acquisition of classrooms donated to the Academy Trust at a value of £3,950,528.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**15. Fixed asset investments**

	<b>Shares in group undertakings £</b>
<b>Academy Trust</b>	
<b>Cost</b>	
At 1 September 2018	1
<b>At 31 August 2019</b>	<u>1</u>
<b>Net book value</b>	
<b>At 31 August 2019</b>	<u>1</u>
<i>At 31 August 2018</i>	<u>1</u>

**16. Principal subsidiaries**

The following was a subsidiary undertaking of the Academy Trust:

<b>Name</b>	<b>Company number</b>	<b>Holding</b>
Redgrave Sports Centre Marlow Limited	08481371	100%

The financial results of the subsidiary for the year were:

<b>Name</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Profit/(Loss) / Surplus/ (Deficit) for the year £</b>	<b>Net assets £</b>
Redgrave Sports Centre Marlow Limited	<b>227,334</b>	<b>218,897</b>	<b>8,437</b>	<b>(83,772)</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**17. Stocks**

	<b>Group 2019</b>	Group 2018
	£	£
Finished goods and goods for resale	<b>889</b>	2,055

**18. Debtors**

	<b>Group 2019</b>	Group 2018	<b>Academy Trust 2019</b>	Academy Trust 2018
	£	£	£	£
<b>Due within one year</b>				
Trade debtors	<b>46,563</b>	53,202	<b>30,233</b>	39,341
Other debtors	-	-	<b>94,959</b>	109,411
Prepayments and accrued income	<b>94,110</b>	118,624	<b>94,110</b>	116,024
Tax recoverable	<b>35,062</b>	35,697	<b>35,062</b>	35,697
	<b>175,735</b>	207,523	<b>254,364</b>	300,473



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**19. Creditors: Amounts falling due within one year**

	<b>Group 2019 £</b>	Group 2018 £	<b>Academy Trust 2019 £</b>	Academy Trust 2018 £
Trade creditors	<b>129,224</b>	140,401	<b>128,698</b>	134,019
Other taxation and social security	<b>118,230</b>	116,422	<b>112,998</b>	105,831
Other creditors	-	16,667	-	16,667
Accruals and deferred income	<b>203,246</b>	275,573	<b>195,347</b>	266,869
	<b>450,700</b>	549,063	<b>437,043</b>	523,386
	<b>Group 2019 £</b>	Group 2018 £	<b>Academy Trust 2019 £</b>	Academy Trust 2018 £
Deferred income at 1 September 2018	<b>100,191</b>	29,464	<b>96,468</b>	26,443
Resources deferred during the year	<b>56,187</b>	100,191	<b>52,229</b>	96,468
Amounts released from previous periods	<b>(100,191)</b>	(29,464)	<b>(96,468)</b>	(26,443)
	<b>56,187</b>	100,191	<b>52,229</b>	96,468

Other creditors was a loan from the ESFA under the condition improvement fund, repaid in 2019.

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 2019 to March 2020.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**20. Statement of funds - group**

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>Unrestricted funds</b>						
General unrestricted funds	339,400	199,948	(109,565)	(39,875)	-	389,908
Trading subsidiary	(92,211)	227,335	(172,901)	(45,996)	-	(83,773)
	<u>247,189</u>	<u>427,283</u>	<u>(282,466)</u>	<u>(85,871)</u>	<u>-</u>	<u>306,135</u>
<b>Restricted fixed asset funds</b>						
Fixed asset fund	17,923,720	-	(368,591)	4,016,117	-	21,571,246
Devolved formula capital	-	94,890	-	(67,861)	-	27,029
Condition improvement fund	12,972	-	-	(12,972)	-	-
Local authority	-	3,948,728	(19,744)	(3,928,984)	-	-
Other income	-	6,300	-	(6,300)	-	-
	<u>17,936,692</u>	<u>4,049,918</u>	<u>(388,335)</u>	<u>-</u>	<u>-</u>	<u>21,598,275</u>
<b>Restricted general funds</b>						
General Annual Grant (GAG)	-	6,005,934	(6,091,805)	85,871	-	-
SEN grant	-	229,625	(229,625)	-	-	-
Pupil premium	-	159,284	(159,284)	-	-	-
Other restricted funds	15,216	400,096	(415,312)	-	-	-
Other local authority Grants	-	141,808	(141,808)	-	-	-
Other DfE/ESFA revenue grants	-	87,810	(87,810)	-	-	-
Pension reserve	(2,543,000)	-	(367,000)	-	(483,000)	(3,393,000)
	<u>(2,527,784)</u>	<u>7,024,557</u>	<u>(7,492,644)</u>	<u>85,871</u>	<u>(483,000)</u>	<u>(3,393,000)</u>
<b>Total funds</b>	<u><u>15,656,097</u></u>	<u><u>11,501,758</u></u>	<u><u>(8,163,445)</u></u>	<u><u>-</u></u>	<u><u>(483,000)</u></u>	<u><u>18,511,410</u></u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**20. Statement of funds (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 & 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 it could carry forward at 31 August 2019.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**20. Statement of funds (continued)**

Comparative information in respect of the preceding year is as follows:

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
<b>Unrestricted funds</b>						
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>
<b>Restricted fixed asset funds</b>						
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>
<b>Restricted general funds</b>						
General Annual Grant	-	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>
<b>Total funds</b>	<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 2019**

**21. Analysis of net assets between funds - group**

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Restricted fixed asset funds 2019 £</b>	<b>Total funds 2019 £</b>
Tangible fixed assets	-	-	21,571,246	<b>21,571,246</b>
Current assets	306,135	450,700	27,029	<b>783,864</b>
Creditors due within one year	-	(450,700)	-	<b>(450,700)</b>
Provisions for liabilities and charges	-	(3,393,000)	-	<b>(3,393,000)</b>
<b>Total</b>	<b>306,135</b>	<b>(3,393,000)</b>	<b>21,598,275</b>	<b>18,511,410</b>

**Analysis of net assets between funds - prior year**

	<b>Unrestricted funds 2018 £</b>	<b>Restricted funds 2018 £</b>	<b>Restricted fixed asset funds 2018 £</b>	<b>Total funds 2018 £</b>
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)
Provisions for liabilities and charges	-	(2,543,000)	-	(2,543,000)
<b>Total</b>	<b>247,189</b>	<b>(2,527,784)</b>	<b>17,936,692</b>	<b>15,656,097</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**22. Reconciliation of net income/(expenditure) to net cash flow from operating activities**

	<b>2019</b>	2018
	£	£
Net income/(expenditure) for the year (as per Statement of Financial Activities)	<b>3,338,313</b>	(449,108)
<b>Adjustments for:</b>		
Depreciation	<b>388,335</b>	387,598
Capital grants from DfE and other capital income	<b>(94,890)</b>	(269,751)
Decrease in debtors	<b>31,788</b>	84,733
Decrease in creditors	<b>(81,696)</b>	(30,314)
Dividends, interest and rent from investments	<b>(705)</b>	(858)
Increase in stocks	<b>1,166</b>	(2,055)
Pension adjustment	<b>367,000</b>	315,000
Fixed asset donated by Local Authority	<b>(3,955,028)</b>	-
<b>Net cash (used in)/provided by operating activities</b>	<b>(5,717)</b>	35,245

**23. Cash flows from investing activities**

	<b>Group</b>	Group
	<b>2019</b>	2018
	£	£
Dividends, interest and rents from investments	<b>705</b>	858
Purchase of tangible fixed assets	<b>(80,833)</b>	(669,202)
Capital grants from DfE Group	<b>94,890</b>	263,320
Capital funding received from sponsors and others	<b>-</b>	6,431
<b>Net cash provided by/(used in) investing activities</b>	<b>14,762</b>	(398,593)

**24. Cash flows from financing activities**

	<b>Group</b>	Group
	<b>2019</b>	2018
	£	£
Repayments of borrowing	<b>(16,667)</b>	(16,667)
<b>Net cash used in financing activities</b>	<b>(16,667)</b>	(16,667)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**25. Analysis of cash and cash equivalents**

	<b>Group 2019 £</b>	Group 2018 £
Cash in hand	<b>607,240</b>	614,862
<b>Total cash and cash equivalents</b>	<b>607,240</b>	614,862

**26. Capital commitments**

	<b>Group 2019 £</b>	Group 2018 £	<b>Academy Trust 2019 £</b>	Academy Trust 2018 £
Contracted for but not provided in these financial statements	-	27,055	-	27,055

**27. Pension commitments**

The Academy Trust's employees belong to two principal pension schemes: the Teachers' 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 schemes.

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**27. Pension commitments (continued)**

**Teachers' Pension Scheme**

**Introduction**

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

**The Teachers Pension budgeting and valuation account**

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

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

**Valuation of Teachers Pension Scheme**

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

**Scheme changes**

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.



**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**27. Pension commitments (continued)**

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

The employer's pension costs paid to TPS in the year amounted to £514,738 (2018 - £488,000).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £352,000 (2018 - £327,000), of which employer's contributions totalled £277,000 (2018 - £257,000) and employees' contributions totalled £ 75,000 (2018 - £70,000). The agreed contribution rates for future years are 22.8 per cent for employers and between 5.5 and 12.5 per cent 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**

	<b>2019</b>	2018
	%	%
Rate of increase in salaries	<b>3.70%</b>	3.80%
Rate of increase for pensions in payment/inflation	<b>2.20%</b>	2.30%
Discount rate for scheme liabilities	<b>1.85%</b>	2.65%
Inflation assumption (CPI)	<b>2.20%</b>	2.30%
RPI increases	<b>3.20%</b>	3.30%

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

	<b>2019</b>	2018
	Years	Years
<i>Retiring today</i>		
Males	<b>22.9</b>	24.0
Females	<b>24.8</b>	26.1
<i>Retiring in 20 years</i>		
Males	<b>24.6</b>	26.3
Females	<b>26.7</b>	28.5

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**27. Pension commitments (continued)**

**Sensitivity analysis**

	<b>2019</b>	2018
	<b>£000</b>	£000
Discount rate +0.1%	<b>6,980</b>	5,547
Discount rate -0.1%	<b>7,312</b>	5,810
Mortality assumption - 1 year increase	<b>7,399</b>	5,869
Mortality assumption - 1 year decrease	<b>6,898</b>	5,491
CPI rate +0.1%	<b>7,295</b>	5,797
CPI rate -0.1%	<b>6,997</b>	5,560

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

	<b>At 31</b>	At 31 August
	<b>August 2019</b>	2018
	<b>£</b>	£
Equities	<b>2,015,000</b>	1,645,000
Gilts	<b>440,000</b>	371,000
Corporate bonds	<b>533,000</b>	384,000
Property	<b>256,000</b>	230,000
Cash and other liquid assets	<b>121,000</b>	187,000
Alternative assets	<b>386,000</b>	317,000
<b>Total market value of assets</b>	<b>3,751,000</b>	3,134,000

The actual return on scheme assets was £287,000 (2018 - £97,000).

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

	<b>2019</b>	2018
	<b>£</b>	£
Current service cost	<b>(577,000)</b>	(498,000)
Past service cost	<b>(70,000)</b>	-
Interest cost	<b>(64,000)</b>	(71,000)
Administrative expenses	<b>(3,000)</b>	(3,000)
<b>Total amount recognised in the Consolidated Statement of Financial Activities</b>	<b>(714,000)</b>	(572,000)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**27. Pension commitments (continued)**

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

	2019 £	2018 £
<b>Opening defined benefit obligation</b>	<b>5,677,000</b>	5,671,000
Current service cost	<b>507,000</b>	498,000
Interest cost	<b>151,000</b>	147,000
Employee contributions	<b>75,000</b>	70,000
Actuarial losses/(gains)	<b>683,000</b>	(626,000)
Benefits paid	<b>(19,000)</b>	(83,000)
Past service costs	<b>70,000</b>	-
<b>Closing defined benefit obligation</b>	<b>7,144,000</b>	5,677,000

Changes in the fair value of the Group's share of scheme assets were as follows:

	2019 £	2018 £
<b>Opening fair value of scheme assets</b>	<b>3,134,000</b>	2,796,000
Return on plan assets	<b>87,000</b>	76,000
Actuarial gains	<b>200,000</b>	21,000
Employer contributions	<b>277,000</b>	257,000
Employee contributions	<b>75,000</b>	70,000
Estimates benefits paid plus unfunded net of transfers in	<b>(19,000)</b>	(83,000)
Administration expenses	<b>(3,000)</b>	(3,000)
<b>Closing fair value of scheme assets</b>	<b>3,751,000</b>	3,134,000

**The amount shown in the Statement of Financial Activities is:**

	2019 £	2018 £
Changes in financial assumptions	<b>(683,000)</b>	626,000
Return on assets excluding amounts included in net interest	<b>200,000</b>	21,000
<b>Actuarial gains/(losses) on defined benefit pension schemes</b>	<b>(483,000)</b>	647,000

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**27. Pension commitments (continued)**

	<b>2019</b>	2018
	£	£
<b>The amount shown in the Balance sheet is:</b>		
Present value of defined benefit obligation	<b>(7,144,000)</b>	(5,677,000)
Fair value of scheme assets	<b>3,751,000</b>	3,134,000
<b>Defined benefit pension scheme liability</b>	<b><u>(3,393,000)</u></b>	<b><u>(2,543,000)</u></b>

**28. Operating lease commitments**

At 31 August 2019 the Group and the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group</b>	Group	<b>Academy</b>	Academy
	<b>2019</b>	2018	<b>Trust</b>	Trust
	£	£	£	£
Not later than 1 year	<b>16,432</b>	16,348	<b>16,432</b>	16,348
Later than 1 year and not later than 5 years	<b>36,293</b>	36,041	<b>36,293</b>	36,041
	<b><u>52,725</u></b>	<u>52,389</u>	<b><u>52,725</u></b>	<u>52,389</u>

**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.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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**30. 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, including notifying the EFSA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The following related party transactions took place in the financial period:

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 £525 (2018: £50) 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 of £500 (2018: £625).

The Academy Trust purchased a vehicle from M Ballard, the commercial and operations director, for £4,500.

T Castle, who is a governor of the Academy Trust, is a director and 100% shareholder of Moyleen Consulting Ltd. During the year, services to the value of £nil (2018: £36) were provided by Moyleen Consulting Ltd.

S Money, who was a governor of the Academy Trust to 31 August 2018 is a director and 50% shareholder of CIC Insurance Services Limited. During the year to 31 August 2018, services to the value of £5,045 were provided by CIC Insurance Services Limited.

JH Beukes, who is a trustee of the Academy Trust, is the managing director of Ecocleen Services Limited, a company which supplied cleaning services to the Trust at a cost of £83,353 during the year. Appropriate approval was sought from the ESFA.

N Pendlebury (the wife of Key Management Personnel G Pendlebury), R Huddleston (the wife of Key Management Personnel S Huddleston), C Day (the husband of Key Management Personell V Day) and C Walker (the wife of Trustee A Walker) are all employed by the Academy Trust as part-time staff. The particular Trustees are not involved in the decision making processes regarding the appointment. All staff are paid within normal pay scales and receive no special benefit as a result of the relationship to a Trustee.

No other related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.