

GREAT MARLOW SCHOOL

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

GREAT MARLOW SCHOOL
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2020

Members

S Brooks
A Cacchioli
K Ford
R Wilson

Trustees

R Bennett	Staff Governor
J Beukes	Community Governor
S Brooks	Community Governor (Chairman)
J Brown	Parent Governor
A Cacchioli	Community Governor
T Castle	Community Governor (resigned 22 April 2020)
M Cook	Parent Governor (new from 22 April 2020)
K Ford	Ex-officio Headteacher & accounting officer
S Funnell	Community Governor
I Gordon	Community Governor (new from 22 April 2020)
P Honey	Community Governor
J Pearce	Parent Governor
J Ricketts	Parent Governor
A Sinden	Parent Governor (new from 22 April 2020)
F Tuddenham	Staff Governor
A Walker	Parent Governor
M Webster	Community Governor (new from 4 Sept 2019)
S Wheeler	Staff Governor
G Whyte	Community Governor (new from 2 Dec 2019)
R Wilson	Community Governor

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

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REFERENCE AND ADMINISTRATIVE DETAILS (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

Company Registered Number

07690054 (England & Wales)

Independent Auditor

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

Bankers

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

Solicitors

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

GREAT MARLOW SCHOOL
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year starting 1st September 2019 and ending 31 August 2020. 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 Water End 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 2020 was 1438, represented by;

Year Group	7	8	9	10	11	12/13	Total
Students	230	235	223	228	226	296	1438

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, 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.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

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
9 Community Governors
6 Parent Governors
3 Staff Governors
(numbers as of 31st August 2020)

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. This training continued throughout 2020 online due to the Covid 19 pandemic

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. New Governors are provided with a 'buddy', an experienced governor who helps them settle in and become effective.

Organisational Structure

The structure consists of the Members, Trustees (Governing body), 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.

There are currently four Members of Great Marlow School Academy all of whom according to the current Articles are Trustees. The Headteacher is a member. They have a similar role to shareholders of a company limited by shares. Considering the changed demand in the Academies Financial Handbook September 2020 the Academy Trust is reviewing its membership and Articles of Association to be compliant for March 2021.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

Organisational Structure (continued)

The Governors/trustees have three core functions.

- To ensure clarity of vision, ethos and strategic direction.
- Hold executive leaders (specifically the Headteacher to account.
- Oversee and ensure effective financial performance.

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. The Headteachers performance review committee usually meet with the HT twice a year together with the Academy's Professional advisor. This year they have only met once in September to review the Head Teacher's performance against objectives and agree next year's objectives.

The Headteacher is responsible for the recruitment, retention and remuneration of staff reporting to the Pay Review Committee. 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 2019/20 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 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 including the academy's leadership and 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
None

Full-time equivalent employee number
None

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	None
1%-50%	None
51%-99%	None
100%	None

Percentage of pay bill spent on facility time

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

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
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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.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

OBJECTIVES AND ACTIVITIES (continued)

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, rich and deep curriculum including a wide variety of 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.

In order 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 lifelong 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 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 individual Governors have responsibility for key areas of the school such as Safeguarding and Pupil Premium. 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.

Objectives, Strategies and Activities (continued)

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.**

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

STRATEGIC REPORT

Achievements and Performance

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

Key Stage 4 Results 2020

Due to the Covid-19 pandemic, these results were based on Centre Assessed Grades (CAG's). The process to develop Centre Assessed Grades (in the absence of Examinations due to the Covid-19 pandemic) was very rigorous with checks put in place at each Leadership level to ensure students received the grades they deserved and appropriate for GMS students. Grades given were also referenced against ASCL advise and the FFT. Governors reviewed the methods and processes undertaken by the school during the Grade Assessment period to ensure robust and fair grades were allocated. All students were able to visit school to receive their grades and were able to discuss them face to face if they wished.

GCSE Results Overview 2020

Measure	%
Attainment 8 score	52.38
Percentage of students achieving Grade 5+ in English and Maths	46.0
Percentage of students achieving Grade 4+ in English and Maths	79.0
Percentage achieving a standard pass (4+) in English	90.4
Percentage achieving a good pass in English (5+)	70.3
Percentage achieving a standard pass (4+) in Maths	81.7
Percentage achieving a good pass in Maths (5+)	51.5
Percentage of students gaining 5+ 9-4 (including English & Maths)	77.3

A-level Results Overview 2020

Measure	%
% entries @ A* – B	53.8
% entries @ A* – C	83.1
% entries @ A* – E	99.7
% students with 3 A-levels	87.8

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

GCSE Level Results 2020

Subject Name	Entries	% 7+	% 4+	No. of students at each grade										
				9	8	7	6	5	4	3	2	1	U	X
Art and Design	64	34.4	96.9	2	4	16	13	17	10	2				
Biology	29	51.7	100	2	3	10	9	5						
Business	69	37.7	88.4	3	9	14	11	14	10	7	1			
Chemistry	29	51.7	100	2	3	10	8	6						
Citizenship Studies	31	25.8	100	2	3	3	7	11	5					
Computer Science	26	26.9	65.4	2	2	3	3	4	3	3	5	1		
D&T	43	37.2	69.8	5	4	7	4	4	6	8	5			
Drama	37	24.3	81.1	1	4	4	4	9	8	7				
English Language	229	16.6	90.0	4	9	25	52	60	56	19	3	1		
English Literature	225	20.9	82.2	7	14	26	37	56	45	26	13	1		
Food Preparation and Nutrition	8	62.5	100	3	1	1		2	1					
French	32	37.5	90.6	2	6	4	3	8	6	3				
Geography	93	28.0	86.0	5	9	12	18	21	15	8	3	2		
History	108	15.7	71.3	3	5	9	19	22	19	16	10	5		
Mathematics	228	22.4	82.0	7	12	32	35	32	69	34	6	1		
Media Studies	101	25.7	93.1	3	6	17	19	30	19	7				
Music	26	38.5	96.2	3	2	5	6	4	5	1				
Physical Education	74	25.7	82.4	6	4	9	11	15	16	9	3	1		
Physics	29	48.3	100	2	6	6	12	3						
Religious Studies	12	33.3	83.3		2	2	2	2	2	2				
Spanish	49	36.7	85.7	5	4	9	4	11	9	5	2			
Statistics	59	44.1	96.6	3	8	15	12	10	9	2				

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

Subject Name	Entri es	% 7+	% 4+	No. of students at each grade															
				D* 2	D 2	M2	P2	D1	M1	P1	X	U							
Child Development (L1/2 Cambridge National Certificate)	28	39.3	89.3	5	6	10	4	3											

Subject Name	Entrie s	% 7+	% 4+	No. of students at each grade																
				9 9	9 8	8 8	8 7	7 7	7 6	6 6	6 5	5 5	5 4	4 4	4 3	3 3	3 2	2 2	2 1	1 1
Combined Science : Trilogy	198	9.1	65.7	4	3	4	3	4	13	14	15	21	21	28	23	23	13	9		

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

A-level Results 2020

A-levels	Ent ries	% A*-B	% A*-C	A *	No. of students at each grade									
					A	B	C	D	E	F	G	U	X	
Ancient History	7	71.4	100	2	3		2							
Art and Design	8	50.0	100	1	1	2	4							
Biology	9	66.7	88.9		4	2	2	1						
Business	28	57.1	92.9	2	5	9	10	2						
Chemistry	2	100	100			2								
Computing	5	40.0	60.0		1	1	1	2						
Design & Technology (Product Design)	7	42.9	71.4	1	1	1	2	2						
Design & Technology (Textiles Technology)	4	75.0	100		1	2	1							
Drama	3	33.3	100		1		2							
English Literature	16	31.3	75.0	1	1	3	7	4						
French	2	50.0	100			1	1							
Further Maths	1	100	100	1										
Geography	24	66.7	87.5	1	7	8	5	2	1					
History	8	62.5	87.5			5	2	1						
Law	30	66.7	83.3	5	4	11	5	5						
Maths	12	50.0	75.0	2	3	1	3	3						
Media Studies	27	55.6	85.2	1	2	12	8	4						
Music	6	50.0	66.7		1	2	1	1	1					
Physical Education	13	61.5	84.6	2	3	3	3	1	1					
Physics	3	66.7	66.7	1	1				1					
Politics	10	80.0	100	1	1	6	2							
Psychology	10	40.0	70.0	1	1	2	3	3						
Spanish	3	66.7	66.7			2			1					
Statistics	15	33.3	60.0		3	2	4	3	2				1	

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

Vocational	Entries	A-level equivalence		No. of students at each BTEC grade					
		% A*-B	% A*-C	Dist*	Dist	Merit	Pass	U	X
Pearson BTEC L3 National Extended Certificate – Creative Digital Media Production	7	14.3	57.1	1	3	1	2		
Pearson BTEC L3 National Extended Certificate Sport	11	36.4	72.7	4	4	3			
Pearson BTEC L3 Subsidiary Diploma Public Services	5	80.0	80.0	4		1			
Pearson BTEC L3 Subsidiary Diploma Travel & Tourism	11	63.6	63.6	7		3	1		

Vocational	Entries	A-level equivalence			No. of students at each NCFE grade								
		% A*-B	% A*-C	A*	A	B	C	D	E	F	G	U	X
CACHE Childcare & Education NCFE Technical L3 Diploma	4	25.0	100		1	3							

Impact of Covid-19 Virus

Teaching and Learning

During the Covid-19 outbreak in Spring/Summer 2020 the school remained open for children of Key workers, Vulnerable Children and Children with EHCP plans. All Students were given work to continue their education at home in line with the school objectives. This work took a variety of formats recognising the very different home situations of students. The school ensured that all students and staff had laptops where necessary and the use of MS Teams for online learning was fast tracked. The Health and Wellbeing of Students and staff were monitored by the staff and the leadership and anyone struggling was supported further.

Impact of Covid-19 Virus (continued)

Teaching and Learning

During the Summer term, following an easing of restrictions, the school made every effort to ensure that not only years 10 and 12 were able to return but also that all students in all year groups had the opportunity to attend school before the Summer Holidays. Governors continued to monitor the Health and Safety measures implemented by the school following a Risk Analysis as well as changes made to education practices to ensure as much as possible that students were being offered the best teaching and learning opportunities in their home environment. An increased number of Board and adhoc meetings were held online via Microsoft Teams during this period to ensure that Governors were involved and updated.

Financial Impact

The school continued to pay its suppliers over the Covid-19 period during the year from income.

There were, however, unexpected and unbudgeted for additional costs incurred due to Covid-19 including:

1. Free School meal vouchers over the period of Lockdown. The Academy paid out £6,361.88 to cover the cost of providing Food Vouchers from Sainsbury's for the period of lockdown including the Easter holiday, until the Government scheme (EdenRed) could be accessed. Prior to Lockdown, the school paid Innovate (our Catering company) a figure based on Meals taken but from the point of Lockdown starting, the school paid Innovate an estimated cost based on FSM Headcount entitlement for each school day. Total Free School Meals for 2019_20 have cost GMS £30,176 compared to £17,976 Last Year, an increase of £12,200 (+67.9%) and compared to a Budget of £20,000, an increase of £10,176 (+50.9%).
2. Additional cleaning costs; although these were mitigated by re-arranging procedures.
3. Financial Impact on the Redgrave Sports Centre; The Redgrave Sports Centre (RSC) raises income through public lettings and gym subscriptions and the lack of these during this period have had and will have a significant impact on the balance sheet of both the Sports Centre and the Academy. The Directors of the RSC have worked with the Academy to interrogate costs, calculate new assumptions on all income streams to formulate a recovery plan and check the centre can still run as a going concern. They presented recommended changes together with 3 year projections to the Academy Board for approval. The Board of Trustees agreed to these changes
4. Additional expenses due to Covid; These include increased resource to support the increasing numbers of vulnerable students, hire of marquees to increase space during break times, increased staffing levels to deal with Covid related absence, and increased cleaning material and labour costs.

Impact on school community (Staff, Parents, Students)

The school developed its teaching and learning strategy to reflect the variety of differing home circumstances amongst the school community. Both staff and students were supported individually according to their needs using and evolving staffing and Safeguarding structures in place. Staff worked tirelessly to help those in particular need both financially and mentally.

Impact of virus control measures and the potential duration of control measures on future aims and activities

The aims of the Academy to ensure that students are offered a safe, high quality learning environment in line with our Vision and Values will not change.

The method of achieving this has and will continue to evolve to suit the current situation with increasing focus on the use of Microsoft Teams to deliver teaching and learning to those unable to attend school.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

Impact of virus control measures and the potential duration of control measures on future aims and activities (continued)

An even greater focus on health and wellbeing (for both staff and students) and the additional requirements highlighted in school to ensure a safe environment will put additional pressures on the budget for next year.

Further information explaining how the Academy has managed the current and future impact of Covid-19 can be found in the Governance section of this report and Trustee Board and Committee meeting minutes.

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

Key Performance Indicators

Please see non-financial outcomes in achievements and performance above 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 expectations of preparing students for the challenges of the 21st Century.

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

Staffing costs make up the largest proportion of school expenditure and for the year to 31st August 2020, total staff costs were £6,524,016 (2019: £6,070,602) or 76.7% (2019 74.2%) 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 2020 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the period ended 31 August 2020, total income of £8,137,888 exceeded the expenditure for the same period by £244,707 (before capital, depreciation and LGPS adjustments). In addition, the Academy received Condition Improvement Funding from the ESFA for asbestos removal and sink hole rectification which had not yet been spent.

The Leadership Team and Governing Body will continue 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 2020, the net book value of fixed assets was £21,221,131 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.

GREAT MARLOW SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

FINANCIAL REVIEW (continued)

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

For the period from 1st September 2019 to 31st August 2020, the Sports Centre traded at an operating loss of £22,406 compared to a profit in 2019 of £8,437. This is solely due to loss of income caused by Covid-19. The RSC and Academy Board have approved a 3 year recovery plan to bring the Centre back into profit and ensure that it continues as a going concern. See Financial impact point 3 above.

Reserves Policy

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

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

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

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.

At 31 August 2020 the total Academy funds comprised:

Unrestricted		704,658
Restricted:	Fixed asset funds	21,632,005
	Pension reserve	(4,214,000)
	Other	-
		<hr/>
		18,122,663
		<hr/> <hr/>

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 2020

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 provides even better accommodation and facilities than previously. The funding is being provided by 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 sub committees, aided by the audit committee formed in February 2020, its risk management principles.

Following a review of the risk register by the audit committee the current register is undergoing a refresh to reflect the current environment. The register is being updated to include a 'heatmap' so that the higher material risks are moved to the top of the risk register. This will allow a more focused mitigation.

Risks have now been categorised into:

- A. Inherent risk - has a material impact and potential likelihood to happen.
- B. Non-material risk - a risk, but does not have a material impact or low probability.
- C. Business as usual. - remove from the risk register, but log on a secondary risk register

The principal risks facing the Academy are:

Health and safety risk

Covid19

The consequences of the Covid19 pandemic has affected the Academy in several areas and mitigating the risk has been a focal point, so ensuring the Academy still functions effectively and students are not disadvantaged. The Academy has worked tirelessly throughout "lockdown" and the summer months to achieve a safe re-opening of the school for the autumn term, linked to the government guidelines, new safe systems of work and new standard operating procedures.

Sadly, as well as the physical impact of Covid19, there has been the impact of mental and social welfare on some teaching staff and students. This ongoing risk is being monitored and acted upon to ensure the right support is available to all affected, now and in the future via internal and external counselling where required.

Compliance audits:

To control and mitigate health and safety within the Academy environment, the compliance audit is completed and reported termly to the Academy's management team and board of governors. The audit highlights potential risks, preventative actions that are required and they are monitor until completion.

GREAT MARLOW SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

Principal Risks and Uncertainties (continued)

Reputational / Strategic risk

The Academy has processes in place to ensure that this high-risk area is monitored and reported upon, so the appropriate action can be leveraged if the Academy is not meeting its business targets and obligations, mitigated by;

- Meeting charitable objectives.
- Maintaining student number especially within the six form.
- The reputation and management of the Academy.
- Reputation for achieving above national average examination results.
- An Academy link with first rate SEND / safeguarding
- The Academy representing itself positively with regards to the management of Covid19.

Financial Risk

The key financial risks that have been identified by the Academy are;

- Impact of Covid19 on the Academy and Redgrave Centre financial performance
- Reduction in pupil numbers.
- Reduction in central government funding.
- Unbudgeted costs
- Implementation of the new finance software package
- Contributions to the LGPS

Actions taken to mitigate the above risks;

- Working to and reporting on a realistic budget, forecast and business plan for both the Academy and the Redgrave Centre
- Strong pupil numbers to achieve the desired funding
- Rolling 5-year business plan

NB-The governing body recognise that the deficit on the LGPS is a cause for concern both now and in future years. At the next actuarial valuation there is a potential the fund could be reported to be in deficit and a need for increased contributions.

Management Team, Teaching and Ancillary Personnel

The whole team is linked to the success of the Academy and to help protect this strong position the following procedures and consideration are in place:

- Robust recruitment, performance management and appraisal procedures.
- A strong reputation, making GMS an attractive school to teach at.
- Development and retention plan across the Academy.
- Collaborative management team and governing board.

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.

GREAT MARLOW SCHOOL
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

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 09 December 2020 and signed on the board's behalf by:

S Brooks
Chair of Trustees

GREAT MARLOW SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2020

SCOPE OF RESPONSIBILITY

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

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

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' Responsibilities. The full governing body, in its capacity as **board of trustees** has formally met 5 times during the year). The meetings held in the Spring and Summer Term were held via Microsoft Teams due to the Covid-19 pandemic. 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. The Board employs a professional Clerk for all its Board and key Committee meetings (Finance and Resources, Learning and Personnel)

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

Trustee		Meetings attended	Out of a possible
K Ford	(Headteacher from 1 September 2016)	5	5
R Bennett		4	5
J Beukes		5	5
S Brooks	(Chairman from 5 October 2015 onwards)	5	5
J Brown		4	5
A Cachioli		4	5
T Castle	(resigned 22 April 2020	2	5
M Cook	(appointed 21 April 2024)	3	5
I Gordon		4	5
P Honey		5	5
J Pearce		2	5
S Wheeler	(on Maternity leave from January 2020)	1	5
R Wilson		4	5
S Funnell		2	5
J Ricketts		3	5
A Sinden	(appointed 21 April 2024)	3	5
A Walker		5	5
M Webster	(appointed 4 th September 2019)	3	5
G Whyte	(appointed 2 December 2019)	5	5
Observers			
M Ballard	(Commercial and Operations Director)	5	5
G Pendlebury	(Deputy Head)	5	5
N Maguire	(Deputy Head)	5	5

GREAT MARLOW SCHOOL
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

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. Two of the meetings were held online via Microsoft Teams. 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:

Trustee	Meetings attended	Out of a possible
J Beukes	3	3
S Brooks	3	3
K Ford (HT)	3	3
R Wilson (Committee Chair)	3	3
S Funnell	3	3
A Walker	3	3
P Honey	3	3

Audit and Risk Committee

The board appointed an Audit Committee in the Autumn term of this year to further strengthen the internal scrutiny of the Academy. The committee was made up of 4 Trustees all of whom to a greater or lesser extent have professional expertise in the management of risk. Their first role was to review the school's Risk Register and from there identify areas to focus on.

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 visit which looked in more depth at areas covered by this sub-committee. COVID precluded two of the meetings from taking place at the school but virtual meetings were held via Microsoft Teams. Although meeting virtually was new to some members it has proved successful with the robust challenge and support being evident. The pandemic required the school to constantly develop and implement new ways of working to adapt to the ever-changing environment. The committee's understanding of the success of these measures was supplemented by Parent Governor personal experience. Further details can be found in the Meeting Minutes.

The Commercial and Operations Director, Deputy Head Teachers, Assistant Heads and Directors of Learning were also invited to attend as observers.

GREAT MARLOW SCHOOL
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GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

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

Trustee	Meetings attended	Out of a possible
T Castle (resigned 22 April 2020)	1	3
S Brooks	3	3
R Bennett	2	3
J Brown (Committee Chair)	3	3
A Cachioli	3	3
K Ford (HT)	3	3
J Ricketts	3	3
S Wheeler (Maternity Leave)	1	0
F Tuddenham	3	3
M Webster	1	3

REVIEW OF GOVERNANCE

The Governing body undertook an Annual Self Evaluation in Spring 2020. This referred to a SEF questionnaire on Governance carried out by both Governors and Staff.

A Skills audit carried out in the Autumn term recognised a future need to further increase the Financial expertise of the Governing Board (to ensure good succession planning). A Governor with Financial expertise has been recruited.

REVIEW OF VALUE FOR MONEY

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

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

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in Great Marlow School for the period 1st August 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1st September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE RISK AND CONTROL FRAMEWORK

The academy trust's system of internal financial control is based on framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. 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 appointed Mr A Walker from August 2019 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 new, government recommended Financial System was introduced this year and the consequences of Covid-19 and lockdown significantly increased the implementation time. This delayed the issuing of accounts from period 9 onwards. The Officer was able to visit the finance team after the end of lockdown 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.

GREAT MARLOW SCHOOL
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GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2020

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 09 December 2020 and signed on its behalf by:

S Brooks
Chair of Trustees

K Ford
Accounting Officer

GREAT MARLOW SCHOOL
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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2020**

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 2019.

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 2019.

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

09 December 2020

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

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 and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements 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 9 December 2020 and signed on its behalf by:

S Brooks
Chair of Trustees

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

Opinion

We have audited the financial statements of Great Marlow School (the 'parent Academy Trust') and its subsidiaries (the 'Group') for the year ended 31 August 2020 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 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Academy Trust's affairs as at 31 August 2020 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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 Trustees' Report including the Strategic Report, the Governance Statement and the Accounting Officer's 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 Trustees' Report including the Strategic 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)

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. 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: 28 January 2021

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

In accordance with the terms of our engagement letter dated 13 July 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, 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 2019 to 31 August 2020 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 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 2019, 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 2019 to 2020. 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 2019 to 31 August 2020 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)

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 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;
- 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 in all material respects the expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 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: 28 January 2021

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:						
Donations and capital grants	3	-	19,233	528,426	547,659	4,060,608
Charitable activities	4	32,828	7,416,060	-	7,448,888	7,002,446
Other trading activities	5	503,882	-	-	503,882	437,999
Investments	6	461	-	-	461	705
Other income	7	165,424	-	-	165,424	-
Total income		702,595	7,435,293	528,426	8,666,314	11,501,758
Expenditure on:						
Raising funds		169,366	-	-	169,366	172,901
Charitable activities	9	86,934	7,976,803	441,139	8,504,876	7,990,544
Total expenditure	8	256,300	7,976,803	441,139	8,674,242	8,163,445
Net income/(expenditure)		446,295	(541,510)	87,287	(7,928)	3,338,313
Transfers between funds	20	(153,953)	207,510	(53,557)	-	-
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	27	-	(487,000)	-	(487,000)	(483,000)
Net movement in funds		292,342	(821,000)	33,730	(494,928)	2,855,313
Reconciliation of funds:						
Total funds brought forward		306,135	(3,393,000)	21,598,275	18,511,410	15,656,097
Net movement in funds		292,342	(821,000)	33,730	(494,928)	2,855,313
Total funds carried forward		598,477	(4,214,000)	21,632,005	18,016,482	18,511,410

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year. The notes on pages 36 to 66 form part of these financial statements.

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	21,221,131	21,571,246
		<u>21,221,131</u>	<u>21,571,246</u>
Current assets			
Stocks	17	672	889
Debtors	18	558,224	175,735
Cash at bank and in hand		896,270	607,240
		<u>1,455,166</u>	<u>783,864</u>
Creditors: amounts falling due within one year	19	(445,815)	(450,700)
		<u>1,009,351</u>	<u>333,164</u>
Net current assets		1,009,351	333,164
Total assets less current liabilities		22,230,482	21,904,410
Defined benefit pension scheme liability	27	(4,214,000)	(3,393,000)
Total net assets		18,016,482	18,511,410
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	20	21,632,005	21,598,275
Pension reserve	20	(4,214,000)	(3,393,000)
Total restricted funds	20	17,418,005	18,205,275
Unrestricted income funds	20	598,477	306,135
Total funds		18,016,482	18,511,410

The financial statements on pages 32 to 66 were approved by the Trustees, and authorised for issue on 09 December 2020 and are signed on their behalf, by:

S Brooks
Chair of Trustees

The notes on pages 36 to 66 form part of these financial statements.

ACADEMY TRUST BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	21,221,131	21,571,246
Investments	15	1	1
		<u>21,221,132</u>	<u>21,571,247</u>
Current assets			
Debtors	18	683,422	254,364
Cash at bank and in hand		866,691	599,616
		<u>1,550,113</u>	<u>853,980</u>
Creditors: amounts falling due within one year	19	(434,582)	(437,043)
Net current assets		<u>1,115,531</u>	416,937
Total assets less current liabilities		<u>22,336,663</u>	21,988,184
Defined benefit pension scheme liability	27	(4,214,000)	(3,393,000)
Total net assets		<u><u>18,122,663</u></u>	<u><u>18,595,184</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	20	21,632,005	21,598,276
Restricted income funds	20	(4,214,000)	(3,393,000)
Total restricted funds	20	<u>17,418,005</u>	18,205,276
Unrestricted income funds	20	<u>704,658</u>	389,908
Total funds		<u><u>18,122,663</u></u>	<u><u>18,595,184</u></u>

The financial statements on pages 32 to 66 were approved by the Trustees, and authorised for issue on 09 December 2020 and are signed on their behalf, by:

S Brooks
Chair of Trustees

The notes on pages 36 to 66 form part of these financial statements.

GREAT MARLOW SCHOOL
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	22	276,407	(5,717)
Cash flows from investing activities	24	-	(16,667)
Cash flows from financing activities	23	12,623	14,762
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		289,030	(7,622)
Cash and cash equivalents at the beginning of the year		607,240	614,862
Cash and cash equivalents at the end of the year	25, 26	896,270	607,240
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 36 to 66 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

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 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

The Academy Trust has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

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 2020

1. Accounting policies (continued)

1.3 Income

All incoming resources are recognised when the Group 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.

• **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 Group has provided the goods or services.

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

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 2020

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 net income/expenditure for the year dealt with in the accounts of the Academy Trust was a deficit of £449,078 (2019 - £3,329,938 surplus) before actuarial gains/losses.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

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.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

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 2020

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 net income/expenditure 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 2020

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 2020. 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 judgement:

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

	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Donations	19,233	-	19,233
ESFA capital grants	-	438,426	438,426
Other capital grants	-	90,000	90,000
	<u>19,233</u>	<u>528,426</u>	<u>547,659</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

3. Income from donations and capital grants (continued)

	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Donations	10,690	3,950,528	3,961,218
ESFA capital grants	-	94,890	94,890
Other capital grants	-	4,500	4,500
	<u>10,690</u>	<u>4,049,918</u>	<u>4,060,608</u>

4. Funding for the Academy Trust's educational operations

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
DfE/ESFA grants			
General Annual Grant (GAG)	-	6,281,262	6,281,262
Pupil premium	-	168,167	168,167
Other DfE/ESFA revenue grants	-	449,773	449,773
	-	<u>6,899,202</u>	6,899,202
Other government grants			
Local Authority SEN income	-	233,052	233,052
Other Local Authority Income	-	148,195	148,195
	-	<u>381,247</u>	381,247
Other funding			
Trip and other income	300	135,611	135,911
Coronavirus Job Retention Scheme grant	32,528	-	32,528
	<u>32,828</u>	<u>7,416,060</u>	7,448,888

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

4. Funding for the Academy Trust's educational operations (continued)

	Restricted funds 2019 £	Total funds 2019 £
DfE/ESFA grants		
General Annual Grant (GAG)	6,005,934	6,005,934
Pupil premium	159,284	159,284
Other DfE/ESFA revenue grants	87,810	87,810
	<u>6,253,028</u>	<u>6,253,028</u>
Other government grants		
Local Authority SEN income	229,625	229,625
Other Local Authority income	141,808	141,808
	<u>371,433</u>	<u>371,433</u>
Other funding		
Trip and other income	377,985	377,985
	<u>7,002,446</u>	<u>7,002,446</u>

5. Income from other trading activities

	Unrestricted funds 2020 £	Total funds 2020 £
Rental income	28,654	28,654
Other income	88,558	88,558
School clubs - rowing income	40,000	40,000
Insurance reimbursement	199,711	199,711
Income from trading subsidiary	146,959	146,959
	<u>503,882</u>	<u>503,882</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

5. Income from other trading activities (continued)

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Catering income	6,714	-	6,714
Rental income	33,157	-	33,157
Other income	68,501	11,421	79,922
School clubs - rowing income	65,000	-	65,000
Insurance reimbursement	25,872	-	25,872
Income from trading subsidiary	227,334	-	227,334
	<u>426,578</u>	<u>11,421</u>	<u>437,999</u>

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £
Bank Interest receivable	<u>461</u>	<u>461</u>

	Unrestricted funds 2019 £	Total funds 2019 £
Bank Interest receivable	<u>705</u>	<u>705</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

7. Other incoming resources

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Settlement income	165,424	165,424	-

8. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £
Expenditure in subsidiary Academy's educational operations	108,289	27,859	33,218	169,366
Direct costs	5,331,065	-	493,491	5,824,556
Allocated support costs	1,192,951	894,880	592,489	2,680,320
	<u>6,632,305</u>	<u>922,739</u>	<u>1,119,198</u>	<u>8,674,242</u>

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £
Expenditure in subsidiary Academy's educational operations	147,290	1,043	24,568	172,901
Direct costs	4,979,301	-	784,387	5,763,688
Allocated support costs	1,091,301	533,909	601,646	2,226,856
	<u>6,217,892</u>	<u>534,952</u>	<u>1,410,601</u>	<u>8,163,445</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

9. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Educational operations	5,824,556	2,680,320	8,504,876

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £
Educational operations	5,763,688	2,226,856	7,990,544

Analysis of direct costs

	Total funds 2020 £	Total funds 2019 £
Staff costs	5,331,065	4,979,301
Technology costs	24,124	28,306
Educational supplies	110,698	158,515
Examination fees	120,823	107,474
Educational consultancy	5,450	7,167
Staff expenses	27,439	21,331
Other direct costs	204,957	461,594
	5,824,556	5,763,688

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2020 £	Total funds 2019 £
Pension income	60,000	64,000
Staff costs	1,192,951	1,082,853
Depreciation	441,139	388,335
Premises costs	554,562	301,747
Other support costs	405,533	362,206
Governance costs	26,135	27,715
	2,680,320	2,226,856

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2020 £	2019 £
Operating lease rentals	27,813	45,816
Depreciation of tangible fixed assets	441,139	388,335
Fees paid to auditors for:		
- audit	10,600	10,300
- other services	13,925	5,600

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	Group 2020 £	Group 2019 £	Academy Trust 2020 £	Academy Trust 2019 £
Wages and salaries	4,810,984	4,699,473	4,722,847	4,573,730
Social security costs	456,038	411,443	448,891	404,078
Pension costs	1,327,473	1,094,319	1,319,381	1,080,137
	6,594,495	6,205,235	6,491,119	6,057,945
Agency staff costs	37,810	12,657	32,897	12,657
	6,632,305	6,217,892	6,524,016	6,070,602

b. Staff numbers

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

	Group 2020 No.	Group 2019 No.	Academy Trust 2020 No.	Academy Trust 2019 No.
Teachers	87	90	87	90
Administration and support	90	77	79	77
Management	2	3	2	3
	179	170	168	170

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

11. Staff (continued)

c. Higher paid staff

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

	Group 2020 No.	Group 2019 No.
In the band £60,001 - £70,000	-	2
In the band £70,001 - £80,000	4	2
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	1	-

d. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page . The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £872,595 (2019 £770,072).

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:

		2020 £	2019 £
K Ford, Head Teacher	Remuneration	105,000 - 110,000	95,000 - 100,000
	Pension contributions paid	25,000 - 30,000	15,000 - 20,000
S Wheeler, Trustee	Remuneration	30,000 - 35,000	35,000 - 40,000
	Pension contributions paid	5,000 - 10,000	5,000 - 10,000
F Tuddenham, Trustee	Remuneration	45,000 - 50,000	30,000 - 35,000
	Pension contributions paid	10,000 - 15,000	5,000 - 10,000
R Bennett, Trustee	Remuneration	40,000 - 45,000	25,000 - 30,000
	Pension contributions paid	10,000 - 15,000	0 - 5,000

During the year ended 31 August 2020, expenses totalling £292 were reimbursed or paid directly to 2 Trustees (2019 - £808 to 3 Trustees).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

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 £	Equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2019	22,841,122	566,449	625,401	15,680	24,048,652
Additions	(75,841)	113,555	53,310	-	91,024
Disposals	-	-	(76,369)	-	(76,369)
At 31 August 2020	<u>22,765,281</u>	<u>680,004</u>	<u>602,342</u>	<u>15,680</u>	<u>24,063,307</u>
Depreciation					
At 1 September 2019	1,565,673	372,644	527,534	11,555	2,477,406
Charge for the year	324,391	80,575	35,274	899	441,139
On disposals	-	-	(76,369)	-	(76,369)
At 31 August 2020	<u>1,890,064</u>	<u>453,219</u>	<u>486,439</u>	<u>12,454</u>	<u>2,842,176</u>
Net book value					
At 31 August 2020	<u><u>20,875,217</u></u>	<u><u>226,785</u></u>	<u><u>115,903</u></u>	<u><u>3,226</u></u>	<u><u>21,221,131</u></u>
At 31 August 2019	<u><u>21,275,449</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>

Included within freehold property is land at valuation of £6,775,000 (2019 : £6,775,000) which is not depreciated.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

15. Fixed asset investments

	Investments in subsidiary companies £
Academy Trust	
Cost or valuation	
At 1 September 2019	1
At 31 August 2020	<u>1</u>
Net book value	
At 31 August 2020	1
<i>At 31 August 2019</i>	<u>1</u>

16. Principal subsidiaries

The following was a subsidiary undertaking of the Academy Trust:

Name	Company number	Holding
Redgrave Sports Centre Marlow Limited	08481371	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Net assets £
Redgrave Sports Centre Marlow Limited	146,960	169,366	(106,178)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

17. Stocks

	Group 2020	Group 2019
	£	£
Goods for resale	672	889

18. Debtors

	Group 2020	Group 2019	Academy Trust 2020	Academy Trust 2019
	£	£	£	£
Due within one year				
Trade debtors	35,203	46,563	34,577	30,233
Amounts owed by group undertakings	-	-	125,822	94,959
Prepayments and accrued income	478,155	94,110	478,157	94,110
VAT recoverable	44,866	35,062	44,866	35,062
	558,224	175,735	683,422	254,364

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

19. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Academy Trust 2020 £	Academy Trust 2019 £
Trade creditors	61,645	129,224	61,642	128,698
Other taxation and social security	233,925	118,230	232,975	112,998
Accruals and deferred income	150,245	203,246	139,965	195,347
	445,815	450,700	434,582	437,043
	Group 2020 £	Group 2019 £	Academy Trust 2020 £	Academy Trust 2019 £
Deferred income at 1 September 2019	56,187	100,191	52,229	96,468
Resources deferred during the year	12,481	56,187	10,156	52,229
Amounts released from previous periods	(56,187)	(100,191)	(52,229)	(96,468)
	12,481	56,187	10,156	52,229

At the balance sheet date the Academy Trust was holding funds received in advance for school trips for the period September 2020 to March 2021.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

20. Statement of funds - group

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General unrestricted funds	389,908	555,635	(86,934)	(153,953)	-	704,656
Trading subsidiary	(83,773)	146,960	(169,366)	-	-	(106,179)
	<u>306,135</u>	<u>702,595</u>	<u>(256,300)</u>	<u>(153,953)</u>	<u>-</u>	<u>598,477</u>
Restricted general funds						
General Annual Grant (GAG)	-	6,281,262	(6,488,772)	207,510	-	-
SEN grant	-	233,052	(233,052)	-	-	-
Pupil premium	-	168,167	(168,167)	-	-	-
Other restricted funds	-	158,736	(158,736)	-	-	-
Other LA Grants	-	148,195	(148,195)	-	-	-
Other DfE/ESFA grants	-	445,881	(445,881)	-	-	-
Pension reserve	(3,393,000)	-	(334,000)	-	(487,000)	(4,214,000)
	<u>(3,393,000)</u>	<u>7,435,293</u>	<u>(7,976,803)</u>	<u>207,510</u>	<u>(487,000)</u>	<u>(4,214,000)</u>
Restricted fixed asset funds						
Fixed asset fund	21,571,246	-	(441,139)	91,024	-	21,221,131
Devolved formula capital	27,029	27,552	-	(54,581)	-	-
Condition improvement fund	-	410,874	-	-	-	410,874
Other income	-	90,000	-	(90,000)	-	-
	<u>21,598,275</u>	<u>528,426</u>	<u>(441,139)</u>	<u>(53,557)</u>	<u>-</u>	<u>21,632,005</u>
Total Restricted funds	<u>18,205,275</u>	<u>7,963,719</u>	<u>(8,417,942)</u>	<u>153,953</u>	<u>(487,000)</u>	<u>17,418,005</u>
Total funds	<u>18,511,410</u>	<u>8,666,314</u>	<u>(8,674,242)</u>	<u>-</u>	<u>(487,000)</u>	<u>18,016,482</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

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 were gradually being recovered, but the impact of COVID-19 led to a further deficit in 19-20. There is a plan in place to return the trading subsidiary to profit in 21-22, once lettings and use of facilities is able to recommence.

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

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

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

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

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

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

20. Statement of funds (continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General 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>
Restricted funds						
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 LA grants	-	141,808	(141,808)	-	-	-
Other DfE/ESFA	-	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>
Restricted fixed asset funds						
Fixed asset fund	17,923,720	-	(368,591)	4,016,117	-	21,571,246
DfE/ESFA grants	12,972	94,890	-	(80,833)	-	27,029
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>
Total Restricted funds	<u>15,408,908</u>	<u>11,074,475</u>	<u>(7,880,979)</u>	<u>85,871</u>	<u>(483,000)</u>	<u>18,205,275</u>
Total funds	<u>15,656,097</u>	<u>11,501,758</u>	<u>(8,163,445)</u>	<u>-</u>	<u>(483,000)</u>	<u>18,511,410</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

21. Analysis of net assets between funds - group

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	21,221,131	21,221,131
Current assets	618,291	426,001	410,874	1,455,166
Creditors due within one year	(19,814)	(426,001)	-	(445,815)
Provisions for liabilities and charges	-	(4,214,000)	-	(4,214,000)
Total	598,477	(4,214,000)	21,632,005	18,016,482

Analysis of net assets between funds - prior period

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

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

	2020	2019
	£	£
Net (expenditure)/income for the period (as per Statement of Financial Activities)	(7,928)	3,338,313
Adjustments for:		
Depreciation	441,139	388,335
Capital grants from DfE and other capital income	(528,426)	(94,890)
Decrease in debtors	(41,825)	31,788
Decrease in creditors	(4,885)	(81,696)
Dividends, interest and rent from investments	(461)	(705)
Increase in stocks	217	1,166
Pension adjustment	334,000	367,000
Fixed asset donated by Local Authority	-	(3,955,028)
Reduction in fixed asset accrual	84,576	-
Net cash provided by/(used in) operating activities	276,407	(5,717)

23. Cash flows from investing activities

	Group	Group
	2020	2019
	£	£
Dividends, interest and rents from investments	461	705
Purchase of tangible fixed assets	(175,600)	(80,833)
Capital grants from DfE Group	97,762	94,890
Capital funding received from sponsors and others	90,000	-
Net cash provided by/(used in) investing activities	12,623	14,762

24. Cash flows from financing activities

	Group	Group
	2020	2019
	£	£
Repayments of borrowing	-	(16,667)
Net cash used in financing activities	-	(16,667)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

25. Analysis of cash and cash equivalents

	Group 2020 £	Group 2019 £
Cash in hand	896,270	607,240
Total cash and cash equivalents	896,270	607,240

26. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	607,240	289,030	896,270
	607,240	289,030	896,270

27. Pension commitments

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

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

27. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £763,883 (2019 - £514,738).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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 2020 was £362,000 (2019 - £352,000), of which employer's contributions totalled £284,000 (2019 - £277,000) and employees' contributions totalled £ 78,000 (2019 - £75,000). The agreed contribution rates for future years are 22.9 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

27. Pension commitments (continued)

Principal actuarial assumptions

	2020	2019
	%	%
Rate of increase in salaries	3.25%	3.70%
Rate of increase for pensions in payment/inflation	2.25%	2.20%
Discount rate for scheme liabilities	1.60%	1.85%
Inflation assumption (CPI)	2.25%	2.20%
RPI increases	3.05%	3.20%

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

	2020	2019
	Years	Years
<i>Retiring today</i>		
Males	21.8	22.9
Females	25.1	24.8
<i>Retiring in 20 years</i>		
Males	23.2	24.6
Females	26.6	26.7

Sensitivity analysis

	2020	2019
	£000	£000
Discount rate +0.1%	8,109	6,980
Discount rate -0.1%	8,514	7,312
Mortality assumption - 1 year increase	8,638	7,399
Mortality assumption - 1 year decrease	7,993	6,898
CPI rate +0.1%	8,495	7,295
CPI rate -0.1%	8,128	6,997

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

27. Pension commitments (continued)

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

	2020 £	2019 £
Equities	2,245,000	2,015,000
Gilts	432,000	440,000
Corporate bonds	642,000	533,000
Property	256,000	256,000
Cash and other liquid assets	107,000	121,000
Alternative assets	413,000	386,000
Total market value of assets	4,095,000	3,751,000

The actual return on scheme assets was £112,000 (2019 - £287,000).

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

	2020 £	2019 £
Current service cost	(555,000)	(507,000)
Past service cost	-	(70,000)
Interest cost	(60,000)	(64,000)
Administrative expenses	(3,000)	(3,000)
Total amount recognised in the Consolidated Statement of Financial Activities	(618,000)	(644,000)

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

	2020 £	2019 £
Opening defined benefit obligation	7,144,000	5,677,000
Current service cost	555,000	507,000
Interest cost	132,000	151,000
Employee contributions	78,000	75,000
Actuarial losses	445,000	683,000
Benefits paid	(45,000)	(19,000)
Past service costs	-	70,000
Closing defined benefit obligation	8,309,000	7,144,000

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

27. Pension commitments (continued)

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

	2020	2019
	£	£
Opening fair value of scheme assets	3,751,000	3,134,000
Return on plan assets	72,000	87,000
Actuarial (losses)/gains	(42,000)	200,000
Employer contributions	284,000	277,000
Employee contributions	78,000	75,000
Estimates benefits paid plus unfunded net of transfers in	(45,000)	(19,000)
Administration expenses	(3,000)	(3,000)
Closing fair value of scheme assets	4,095,000	3,751,000

	2020	2019
	£	£
The amount shown in the Statement of Financial Activities is:		
Changes in financial assumptions	(537,000)	(683,000)
Return on assets excluding amounts included in net interest	50,000	200,000
Actuarial gains/(losses) on defined benefit pension schemes	(487,000)	(483,000)

27. Pension commitments (continued)

	2020	2019
	£	£
The amount shown in the Balance sheet is:		
Present value of defined benefit obligation	(8,309,000)	(7,144,000)
Fair value of scheme assets	4,095,000	3,751,000
Defined benefit pension scheme liability	(4,214,000)	(3,393,000)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

28. Operating lease commitments

At 31 August 2020 the Group and the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2020 £	Group 2019 £	Academy Trust 2020 £	Academy Trust 2019 £
Not later than 1 year	58,476	16,432	58,476	16,432
Later than 1 year and not later than 5 years	50,922	36,293	50,922	36,293
	109,398	52,725	109,398	52,725

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 2020

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:

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 £85,454 (2019: £83,353) during the year. At the year end, £13,892 was owed to Ecocleen Services Limited (2019: £nil). 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), 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.

Prior year related party transactions:

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 £Nil (2019: £525) were 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 £nil (2019: £500).

In the year to 31 August 2019, the Academy Trust purchased a vehicle from M Ballard, the commercial and operations director, for £4,500.

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