

**MARLOW EDUCATION TRUST (FORMERLY SIR WILLIAM BORLASE'S
GRAMMAR SCHOOL)**

(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

**MARLOW EDUCATION TRUST (FORMERLY SIR WILLIAM BORLASE'S GRAMMAR SCHOOL
(A Company Limited by Guarantee)**

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MARLOW EDUCATION TRUST (FORMERLY SIR WILLIAM BORLASE'S GRAMMAR SCHOOL)
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017

Members

Charles Elly (Chairman, appointed 1 October 16)
Annabel Nicol (Appointed 1 October 16)
Deborah Eyre (Appointed 1 October 16)
Peter Holding Advisor (Appointed 1 October 16)

Directors

Mr I Duguid (Chairman)
Mr S Knight (Chairman of Beechview LGB) (appointed 1 October 16)
Mrs C Redcliffe (Chairman of SWBGS LGB)
Mr R Krajewski
Mr A Handford

Dr H Bethell (Resigned 1 October 16)
Mr J R Biggs (Resigned 1 October 16)
Mr J Breedon (Resigned 1 October 16)
Mrs A Brown (Resigned 1 October 16)
Mr K Gale (Resigned 1 October 16)
Mrs K Kennedy (Resigned 1 October 16)
Prof G Morgan (Resigned 1 October 16)
Mr T Presho (Resigned 1 October 16)
Mr T Russell Associate
Mr P Sharp (Resigned 1 October 16)
Mrs H Bambridge Staff Governor (Resigned 1 October 16)

Executive

Dr P Holding (Head of SWBGS and Executive Head of Beechview).COO
Mrs C McLeod (Chief Financial Officer)

Company Name

Marlow Education Trust (Formerly known as Sir William Borlase's Grammar School)

Principal and registered office

Marlow Education Trust, West Street, Marlow, Buckinghamshire, SL7 2BR

Company registered number

07625556 (England and Wales)

Independent Auditor

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

MARLOW EDUCATION TRUST (FORMERLY SIR WILLIAM BORLASE'S GRAMMAR SCHOOL)
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REFERENCE AND ADMINISTRATIVE DETAILS (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Bankers

Lloyds Bank Plc, 17 High Street, Marlow, Buckinghamshire, SL7 1AJ

Solicitors

Veale Wasbrough Vizards, Orchard Court, Orchard Lane, Bristol, BS1 5WS

**MARLOW EDUCATION TRUST (FORMERLY SIR WILLIAM BORLASE'S GRAMMAR SCHOOL)
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017**

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

The trust operates two academies: Sir William Borlase's Grammar School – an academy for pupils aged 11 to 19 serving a catchment area based upon the Marlow and Maidenhead areas of South Buckinghamshire and Royal Borough of Windsor & Maidenhead. It has a pupil capacity of 920 and had a roll of 1,076 in the school census on 5 October 2017. On October 1st 2016, Beechview Academy joined the Trust (formerly Beechview School), a primary academy with catchment area in High Wycombe. It has a pupil capacity of 240 and had a roll of 158 in the school census on 5 October 2017.

As a result of becoming a multi-academy trust, the trust has undergone a number of significant structural changes in both the way that it is operated and governed. From a governance perspective, each of the academies within the trust are governed by Local Governing Bodies who work to agreed schemes of delegation (SoD) and hold the head of that academy to account. The Local Governing Bodies, in turn, are accountable to the Trustees/Directors of the Charitable Trust. The remainder of this report is written from the perspective of the trust being a multi academy trust.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The multi 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 directors of Marlow Education Trust(Formerly Sir William Borlase's Grammar School) are also the Trustees and governors of the charitable company for the purposes of company law. The charitable company is known as Marlow Education Trust (Formerly Sir William Borlase's Grammar School).

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1 - 2.

Members Liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Trustees' Indemnities

Trustees and governors benefit from indemnity insurance to cover the liability of the Trustees and governors 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 cost of this insurance in the year was £1,052.

Method of Recruitment and Appointment or Election of Trustees

The Articles of Association of the Academy Trust require the makeup of the Directors/Trustees to be as follows:

Subject to Articles 48-49 and 53, the Academy Trust shall have the following Trustees:

- a. up to 7 Trustees (but not less than three), appointed under Article 50; and
- b. a minimum of 2 Parent Trustees elected or appointed under Articles 53-56 in the event that no Local Governing Bodies are established under article 100a or if no provision is made for at least 2 Parent Local Governors on each established Local Governing Body pursuant to Article 101A;and
- c. subject to Article 57, the Chief Executive Officer

The Academy Trust may also have any Co-opted Trustee appointed under Article 58.

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

Method of Recruitment and Appointment or Election of Trustees (continued)

The Members may appoint by ordinary resolution up to 7 Trustees.

The total number of Trustees including the Chief Executive Officer if they so choose to act as Trustee under Article 57 who are employees of the Academy Trust shall not exceed one third of the total number of Trustees.

The term of office for any Trustee shall be four years, save that this time limit shall not apply to any post which is held ex officio. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected.

Members will review the skill set of the Trustee body and invite individuals with appropriate skills to join the body as appropriate.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend on their existing experience. Where necessary induction will provide training on charity, educational, legal and financial matters.

All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors.

Induction is provided informally and is tailored specifically to the individual.

Organisational Structure

The Trust Management is organised in four levels: the Trust executive, the individual academies, local governor boards (LGBs), individual academies Senior Management Teams (SMT) and individual academy Budget Holders. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels. The LGBs are responsible for setting general policy, adopting an annual plan and budget, monitoring their Academy by the use of budgets and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments. In addition, each LGB is responsible for holding to account the head teacher and their academy in line with agreed Schemes of Delegation (SOD). The Trust executives are responsible for approving the Financial Procedures under which the Academies' finances operate.

The Trust executive has overall executive responsibility for the Trust's activities including financial activities. Much of the responsibility for financial activities has been delegated to the Chief Finance Officer.

The Head teachers of individual academies are responsible for the appointment of all staff with the exception of the SMT and Heads of Departments, which is performed in conjunction with the Local Governors.

The local SMTs control the individual Academy at an executive level implementing the policies laid down by the LGBs and reporting back to them.

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

Arrangements for setting pay and remuneration of key management personnel

The LGBs, subject to their individual SoD, make pay decisions in accordance with the 'key principles of public life': objectivity openness and accountability. It recognises the requirement for a fair and transparent policy to determine the pay and grading for all staff employed by the School, having regard to the conditions of service under which staff are employed and relevant statutory requirements. Pay decisions will take account of the resources available to the School. The staffing structure will support the School Development Plan. The LGBs will exercise their discretionary powers using fair, transparent and objective criteria in order to secure a consistent approach in school pay decisions.

The Head teachers' reviews will be done by the LGB, subject to their individual schemes of delegation. The committees will agree performance objectives relating to school leadership and management and pupil progress with the Head teacher, taking account of the advice of an appointed adviser. The objectives will be agreed as early as possible in the Autumn Term; The Review Committee will review the performance of the Head teacher annually against the performance objectives and may award one or two points within the ISR where objectives have been met and where the Head teacher has demonstrated sustained high quality of performance, with particular regard to leadership, management and pupil progress.

The Trust directors delegate to the individual Head teachers, subject to schemes of delegation, the agreement of performance objectives relating to school leadership and management and pupil progress with the Deputy Head teacher, Business Manager and Assistant Head Teachers. Objectives will be agreed and reported to the LGBs as early as possible in the Autumn Term; On the advice of the Head teacher the LGBs will review performance.

Related parties and other connected charities and organisations.

Marlow Education Trust (Formerly Sir William Borlase's Grammar School) is not controlled by a third party in the detailed management of the delivery of its objectives.

Marlow Education Trust (Formerly Sir William Borlase's Grammar School) has a controlling interest in the Sir William Borlase's Grammar School – School Fund, a charity (Charity Number 1096750) set up to support the education of pupils attending Sir William Borlase's Grammar School.

The School Fund transactions are combined within these financial statements.

Although it does not have a controlling interest, Sir William Borlase's Grammar School does have strong connections with the following organisations:

Sir William Borlase's Grammar School Trust (Charity Number 310623);
Sir William Borlase's Grammar School Parent Association (Charity Number 279085);
Sir William Borlase's Grammar School Rowing Parent Support Group (Charity Number 1092936);
Marlow and District Schools' Boathouse Trust (Registered Company Number 8824509);
The Beechview School Fund, (Charity Number 1130987).

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and aim of the charitable company is "establishing, maintaining, carrying on, managing and developing an academy offering a broad and balanced curriculum"

The Academy Trust and all academies aspire to deliver an exceptional quality of teaching and learning. They promote high expectations for both staff and students and encourage maximum effort, intellectual curiosity and independence of mind. By fostering a spirit with a strong ethos of consideration, the whole school community works together to create accomplished and well-rounded young people.

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

Objectives, Strategies and Activities

Sir William Borlase's Grammar School.

The secondary schools within the Trust aim to achieve excellence in all fields of endeavour by creating an inspired, ambitious, confident and caring community of young people and adults.

The Academy has the following goals that are linked to its vision:

- Every student is supported in becoming a confident, resilient and independent learner.
- Every student is given the opportunity and support progressively to develop leadership skills and opportunities to exercise these.
- Results in all subjects at GCSE to exceed value added averages for Buckinghamshire grammar schools, and results in all subjects at A level to exceed value added expectations.
- Every student contributes positively to a healthy and safe community
- Students' learning is supported by a high quality environment and effective services.
- Students' learning benefits from the Academy's commitment to its staff and the effective use and development of their skills. To ensure that these goals are met the academy sets strategic targets within its School Improvement Plan in the following areas:
 - Learning and teaching
 - Staff leadership
 - Student leadership
 - Staff development
 - Property and services development

These targets are owned by a member of the SMT and progress on these is monitored throughout the year.

Public Benefit

The Directors/Trustees 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 is to provide education for its pupils.

STRATEGIC REPORT

Achievements and Performance

Sir William Borlase's Grammar School last underwent an OFSTED Inspection in July 2012 and was graded "outstanding" in all areas.

A2 Results

Most of our students continue to progress to university, with a very high percentage gaining access to some of the most competitive universities, such as those in the Russell Group, or Oxford and Cambridge, or, where relevant, to top institutions for studying Art, Music, Drama or Dance.

Exam results continue to be outstanding, with 76.2% gaining A*-B grades.

	2014	2015	2016	2017
No of candidates	183	183	204	193
% A+ - B	83.5	82.4	77.8	76.2
Average UCAS points per candidate	407.1	377.8	362.8	337.7

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

Achievements and Performance (continued)

GCSE Results

Success rate nearly 75% of all grades at A or A* and an average points per GCSE of 52 - that means that our average GCSE result was an A grade.

	2014	2015	2016	2017
No of candidates	142	135	139	137
Total number of entries	1351	1331	1366	1339
Average points per GCSE	51.7	52.3	51.8	52.4
% A/A+	70.9	74.9	70.6	74.5

Key Financial Performance Indicators

	16/17	15/16	14/15
Donations as % in Income (Exc capital funding)	2%	5 %	1 %
Teaching staff costs per pupil £000s:	3.3	3.2	3.1
Support staff costs per pupil:	£591	£490	£482

Beechview Academy.

Our primary aim is to improve academic outcomes and low expectations for all our children so that they are able to reach their potential, not just while they are at Beechview but for the years ahead, in secondary, and hopefully, further education and the workplace. We feel strongly about the responsibility and the part we play in their early years.

We try to encompass a holistic approach to the care and well-being of our pupils, and we realise that the undeniable research and evidence shows a nutritional meal at the start of the day impacts every aspect of the child, from attendance, academic outcomes, health and well-being, plus the benefits to their families. It is our hope that by January our expanding breakfast club will provide a meal for 80 children, including year 6. Here we have added a new focus with the club. Our Literacy and Numeracy performance figures (see below) put us well under the national expected standards and we have to move fast. Therefore, additional contact time for teachers will be achieved via the breakfast club, which will be academically supported by a teacher and learning assistant and the children will be able to give extra support with Maths and Reading Our target is to make a difference by July so that we can send our Year 6 students to their senior schools being the best children they can be.

Results

KS2 % at least the expected standard	Read/ Writ TA/ Maths				
	2013	2014	2015	2016	2017
School	N/A	N/A	N/A	27.6	27.6
Bucks	N/A	N/A	N/A	56.7	63.4
Difference*	N/A	N/A	N/A	-29.1	-35.8
National	N/A	N/A	N/A	53.0	61.0

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

Going Concern

After making appropriate enquiries, the Trust Directors have 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. When Trust Directors consider the going concern basis, the pension deficit is not taken into account. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

FINANCIAL REVIEW

In another challenging year we endeavoured to keep a balanced budget whilst delivering an outstanding educational experience for our pupils. Decisions on expenditure were considered for value for money and the impact on pupil outcomes. Our focus on increasing donations and school fund income continued as we recognise that pressures on funding remain, and in order to continue to provide our valued extra curricula activities and enrichment, we need to source additional support.

The benefits of sharing resources, including specialist staff, within the MAT, enabled resources to be challenged into teaching and learning, especially at Beechview.

Donations and Capital Grants show a decrease this year. Our condition Improvement Funding bids narrowly missed the threshold and none were successful this time.

We did successfully complete our Fire Protection and Emergency Lighting CIF work this year. This is shown in the net expenditure figure for the year, where costs of the project are included but income was recognised in the previous year.

During the year we continued to monitor and evaluate our staffing costs against efficiency and effectiveness, with the aim to achieve that optimum balance of resources relative to teaching and support staff and pupil numbers.

Reserves Policy

Marlow Education Trust intends to spend its General Academy Grants (GAG) in each year that it is received. To this end, Directors and Governors approve a neutral academy budget for GAG expenditure. Within individual accounts, contingency reserves are maintained to ensure that emergencies can be appropriately managed. Contributions towards specific projects are collated and spent against projects set by the Governors. Larger projects may attract reserve accruals across financial reporting periods.

Unrestricted	350,185
Restricted: Fixed asset funds	15,750,244
GAG	94,392
Pension reserve	(2,458,000)
Other	449,876
	<u>14,186,697</u>

Each school within the MAT should maintain reserves of at least the equivalent of one month's fixed costs (being broadly the all costs excluding IT and maintenance spend). If any school is proposed to join but has insufficient reserves, then the due diligence will have to identify synergies from the Trust expansion which will rebuild a reserve balance of the required amount within two/three years - in this way, proposed new Trust entrants, or existing academies, with strong reserves position, will be able to see that their reserves are "protected".

The deficit on the pension reserve relates to the non - teaching staff pension scheme where, unlike the teachers' scheme, separate assets are held to fund future liabilities as more fully discussed in note 24. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits. On 2 July 2013, the Secretary of State for Education issued a note guaranteeing that DfE will meet any pension liability should an academy close. Further details are shown in note 24. The restricted funds will be spent in accordance with the terms of the particular funds. Unrestricted funds are for use on the general purposes of the Academy, at the discretion of the Governors.

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

Investment Policy

The financial instruments in which the Trust deals are mainly bank balances, cash, trade creditors and limited trade debtors. The Trust has not made any investments in the period other than holding the cash in its bank account (including a balance of cash on a rolling 90-day deposit to enhance interest). As such there is very little risk in the nature of the Trust's transactions.

Principal Risks and Uncertainties

The principal risks facing the Trust are:

Reputational risk – mitigated by high quality teaching, linked to excellent academic results, effective Interventions to ensure high standards of pupil behaviour in and around the community, regular reporting to local Governors on all forms of complaints, from parents and the wider community, along with actions taken.

Performance risk – mitigated by strong professional development, effective systems for monitoring performance at all levels, an effective Performance Management system, monitored by the local SMT and local Governors.

Financial risk - The principal financial risks are a reduction in pupil numbers, reduction in central government funding, unbudgeted increase in teaching or support staff costs, or unbudgeted major capital repairs. These are mitigated by regular and robust budgets, monitoring of expenditure and income by the Trust Directors, local SMT and by the local Governors, the continuance of neutral (or surplus) budget setting, internal and external audits, and effective, well resourced maintenance and upkeep plan for the site and facilities, coupled with adequate insurance against damage to property.

Risks associated with personnel – mitigated by high quality recruitment to ensure quality staff, robust safeguarding procedures, effective risk assessment procedures to ensure the safety and well-being of staff.

Regulatory risk - The principal risk being changes to regulations surrounding academies as charities and/or companies. These are mitigated by continual assessment by Directors and local Governors of regulation changes and robust adherence to DFE policies, along with continual advice from well informed professional legal and accountancy support.

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

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

PLANS FOR FUTURE PERIODS

The Marlow Education Trust (the Multi Academy Trust, or MAT)

The Trust's vision is to develop a group of schools in Marlow and the surrounding area which work together to deliver the best outcomes for each pupil, whatever their ability, background or needs. In order to achieve this, the Trust has identified the following priorities:

- To ensure good financial management, with a particular emphasis on achieving financial stability for Beechview Academy. This will largely be achieved through increasing pupil recruitment, as the school is currently undersubscribed.
- Expand the Trust in a way that is compatible with maintaining and building upon existing excellence in the member schools. One new partner school has been identified for 2018, with several other potential partners identified for calendar year 2019.
- Develop a central executive function that meets the needs of a growing Trust.

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

Sir William Borlase's Grammar School

The Academy is currently rated Outstanding by Ofsted. Our priority for the next two years is to maintain and build upon this excellence. In order to do so the school has identified the following development priorities:

- Continue to develop our role as a Teaching School and to expand our provision of School Direct training places.
- Play a leading role in the developing Trust.
- Working in partnership with Great Marlow School to expand our curricula and extra curricula provision, and the local community via a new boathouse.
- Extend on-site sporting provision through the construction of a new Sports Hall.
- Focus academic developments upon the improvement of our Level 3 Value Added, targeting an Alps rating of 3 or above.

Beechview Primary Academy

Beechview School was rated "inadequate" at its last (pre-academisation) Ofsted. Its priority is to move as rapidly as possible to at least Good. To achieve this the school has identified the following priorities:

- Improve academic outcomes at KS2 to at least National Averages in all areas.
- Narrow the achievement gap between disadvantaged pupils and the rest of the cohort.
- Improve the quality of teaching to ensure that at least 70% of teaching is good or better.
- Improve the school's financial stability by increasing pupil recruitment to ensure that the school is no longer undersubscribed.

We continue to expand the range of our extra curricular provision. We have launched a new variation on the Model United Nations programme, to Year 9. The DofE programme has been reviewed. The main focus of our wider curriculum development this year will be the strengthening of our Emotional Health and Wellbeing programmes.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

Sir William Borlase's Grammar School Fund is an unincorporated Trust fund which was registered as a charity in the United Kingdom on 28 March 2003 (Charity Number 1096750). It is established to aid in the advancement of education at Sir William Borlase's Grammar School by way of assisting in the provision of facilities for all pupils. Directors of the company are also the trustees of this charity whose funds are held in a separate bank account and are consolidated within these financial statements.

AUDITOR

In so far as the trustees are aware:

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

MHA MacIntyre Hudson are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 18 December 2017 and signed on the board's behalf by:

.....
I Duguid
Chair of Trustees

MARLOW EDUCATION TRUST (FORMERLY SIR WILLIAM BORLASE'S GRAMMAR SCHOOL)
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GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2017

SCOPE OF RESPONSIBILITY

As Directors / Trustees we acknowledge we have overall responsibility for ensuring that the Marlow Education Trust 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 Trust directors/ trustees have delegated the day-to-day responsibility to the Trust COO, 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 in the funding agreement between Marlow Education Trust Academies and the Secretary of State for Education. The Head teacher is also responsible for reporting to the local governing bodies (LGB) 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 directors / trustees have formally met governing body has formally met 4 times during the year. Local governing bodies have met and attendance during the year at meetings were as follows:

Trustee	Meetings attended	Out of a possible
Mr I Duguid (Chairman)	4	4
Mr A Handford	4	4
Mr R Krajewski	4	4
Mrs C Redcliffe	4	4
Mr S Knight	4	4

Sir William Borlase's Grammar School's local governing body has formally met 6 times during the year and attendance at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mrs H Bambridge Staff Governor	4	6
Dr H Bethell	5	6
Mr J Biggs	6	6
Mr J Breedon	6	6
Mrs A Brown	5	6
Mr K Gale	5	6
Mr A Handford	3	3
Mr S Hill Staff Governor	0	1
Dr P Holding Headteacher & Accounting Officer	5	6
Mrs K Kennedy	5	6
Prof G Morgan	5	6
Mr T Presho	5	6
Mrs C Redcliffe (Chair)	6	6
Mr P Sharp	3	6

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

GOVERNANCE (continued)

Beechview's local governing body has formally met 6 times during the year and attendance at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mrs M Bull	5	6
Mrs K Collins	5	6
Mrs C Dollin	5	6
Mr T Eccleston	5	6
Mr S Knight	6	6
Mr J Yaqub	0	2 (Term of Office end 06.12.16)

Attendance at Finance and Audit working Group meetings in the year was as follows:

	Meetings attended	Out of a possible
Mr R Krajewski	7	8
Mr K Gale	7	8
Mrs C Dollin	7	8

Upon establishing ourselves as a Multi Academy Trust on 1 October 2016, there were significant changes to the governance structure. The majority of Trustees resigned their positions on 30 September and took new positions on the Local Governing Body of Sir William Borlase's Grammar School. Three Trustees are no longer on the LGB but remain as Directors/Trustees. In addition the Chair of the SWB LGB remained on the Trust and the Chair of the Beechview Academy LGB joined the Trust.

The Finance and Audit issues are reviewed by a working group and recommendations are brought to the MAT Board for agreement and approval. The working group is chaired by a director and has representatives from each of the LGBs and is attended by the Trust's finance director. The Finance workgroup's purpose is to consider and make recommendations in respect of all financial matters relating to the Academies, including the setting of annual and strategic budgets; overseeing the financial management and procedures and ensuring compliance with legislation and ESFA policy.

The majority of day to day administration and control is delegated to the individual academies in line with their scheme of delegation (available on website).

The board has considered their effectiveness, especially in relation to the following areas, conversion of Beechview into an Academy, formation of the MAT and in leading the change to the governance structure, including roles and responsibilities of Directors, Governors and Senior Leadership. Subsequent to that, the board has been working on relationships within the wider Marlow community, with a view to broaden MAT expansion for the future. The board has been driving the Executive Head Teacher and the LGB of Beechview to deliver improvements, as quickly as possible, especially in the areas of teaching and learning.

The board was satisfied that quality data was being produced by both academies in the Trust, and it will continue to use this data to drive improvements across the Trust.

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

REVIEW OF VALUE FOR MONEY

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

The Trust has worked to improve the use of its resources in the following ways.

1. By developing projects that will provide better value for money through economies of scale. These projects include our developing collaborations, both formal and informal.
2. Continuing efficiencies in our curricular provision, particularly focusing on the sixth form. This has included a careful review of the range and number of A level subjects on offer and the opportunities to offer a wider variety of courses through our membership of the South Bucks Consortium.
3. Constant review of the value for money of all school contracts.
4. Use of benchmark data for costs to ascertain areas of strength or areas with potential for improvement.

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 Sir William Borlase's Grammar School for the period 1 September 2016 to 30 September 2016 then in Marlow Education Trust for the period 1 October 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Trust board has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the MAT board.

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Trust board;
- regular reviews by the finance and audit working group 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.

MARLOW EDUCATION TRUST (FORMERLY SIR WILLIAM BORLASE'S GRAMMAR SCHOOL)
(A Company Limited by Guarantee)

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

The Trust board has considered the need for a specific internal audit function and has decided not to appoint an internal auditor; the Finance workgroup undertakes the role of the Audit Committee. During the reporting period, a representative from MHA MacIntyre Hudson has conducted four Financial Process Reviews and reported their findings to the Finance working group. They report to the finance workgroup which then feeds back to the MAT Board and the LGBS on the operation of the systems of control and on the discharge of financial responsibilities. The Finance and audit workgroup considered each report from MHA MacIntyre Hudson and their recommendations.

Checks carried out during the year,

- testing of payroll systems
- Grant and Trip income
- testing of purchase and receivable systems
- testing of control account/bank reconciliations

On a half yearly basis the responsible officer reports to the MAT board, through the finance and audit workgroup on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

REVIEW OF EFFECTIVENESS

As Accounting Officer the Head teacher of SWB has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

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

The accounting officer has been advised of the implications of the result of their review of the system of Internal control by the finance and audit committee and a plan to address any weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 18 December 2017 and signed on its behalf by:

.....
I Duguid
Chair of Trustees

.....
PA Holding
Accounting Officer

MARLOW EDUCATION TRUST (FORMERLY SIR WILLIAM BORLASE'S GRAMMAR SCHOOL)
(A Company Limited by Guarantee)

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

As Accounting Officer of Marlow Education Trust (Formerly Sir William Borlase's Grammar School) I have considered my responsibility to notify the Academy Trust board of trustees and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA.

.....
P A Holding
Accounting officer

18 December 2017

MARLOW EDUCATION TRUST (FORMERLY SIR WILLIAM BORLASE'S GRAMMAR SCHOOL)
(A Company Limited by Guarantee)

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

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

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

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

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

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

Approved by order of the members of the Board of Trustees on 18 December 2017 and signed on its behalf by:

.....
I Duguid
Chair of Trustees

MARLOW EDUCATION TRUST (FORMERLY SIR WILLIAM BORLASE'S GRAMMAR SCHOOL)
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
MARLOW EDUCATION TRUST (FORMERLY SIR WILLIAM BORLASE'S GRAMMAR SCHOOL)**

OPINION

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

This report is made solely to the Academy Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy Trust's members those matters we are required to state to them in an 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.

Except for the matter described in the basis of qualification paragraph, in our opinion the financial statements:

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

BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust 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.

BASIS OF QUALIFICATION

The value of the tangible fixed assets in the financial statements is materially misstated. The Academy's leasehold land and buildings for Beechview Academy with a significant value has not been included in the Statement of Financial Activities as a donation on conversion in the year and has not been reflected in the Balance Sheet at 31 August 2017. The Academy Trust has not received a valuation of the leasehold land and buildings and no value has been attributed to this in the financial statements as at 31 August 2017, as detailed in note 14. The ESFA will provide a valuation during 2018 and therefore the Trustees consider it to be an inappropriate use of the Academy's funds to obtain an external valuation of the land and buildings at 31 August 2017.

MARLOW EDUCATION TRUST (FORMERLY SIR WILLIAM BORLASE'S GRAMMAR SCHOOL)
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
MARLOW EDUCATION TRUST (FORMERLY SIR WILLIAM BORLASE'S GRAMMAR SCHOOL)**

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 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.

OTHER INFORMATION

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

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the 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.

In respect solely of the failure to include the value of the leasehold land and buildings as a donation in the Statement of Financial Activities and as a tangible fixed asset in the Balance Sheet at 31 August 2017, adequate accounting records have not been kept.

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:

- adequate accounting records have not been kept, other than for leasehold land and buildings (in respect of Beechview Academy); or

MARLOW EDUCATION TRUST (FORMERLY SIR WILLIAM BORLASE'S GRAMMAR SCHOOL)
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
MARLOW EDUCATION TRUST (FORMERLY SIR WILLIAM BORLASE'S GRAMMAR SCHOOL)**

- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remunerations specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

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

In preparing the financial statements, the Trustees are responsible for assessing the 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 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.

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

22 December 2017

MARLOW EDUCATION TRUST (FORMERLY SIR WILLIAM BORLASE'S GRAMMAR SCHOOL)
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MARLOW EDUCATION TRUST (FORMERLY SIR WILLIAM BORLASE'S GRAMMAR SCHOOL) AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 25 August 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Marlow Education Trust (formerly Sir William Borlase's Grammar School) during the year 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Marlow Education Trust (formerly Sir William Borlase's Grammar School) and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Marlow Education Trust (formerly Sir William Borlase's Grammar School) and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Marlow Education Trust (formerly Sir William Borlase's Grammar School) and the ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF MARLOW EDUCATION TRUST (FORMERLY SIR WILLIAM BORLASE'S GRAMMAR SCHOOL) ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Marlow Education Trust (formerly Sir William Borlase's Grammar School)'s funding agreement with the Secretary of State for Education dated 28 September 2016, and the Academies Financial Handbook extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

MARLOW EDUCATION TRUST (FORMERLY SIR WILLIAM BORLASE'S GRAMMAR SCHOOL)
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MARLOW EDUCATION TRUST (FORMERLY SIR WILLIAM BORLASE'S GRAMMAR SCHOOL) AND THE EDUCATION AND SKILLS FUNDING AGENCY (continued)

The work undertaken to draw to our conclusion includes:

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

CONCLUSION

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

Reporting Accountant

MHA MacIntyre Hudson

Chartered Accountants

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

22 December 2017

MARLOW EDUCATION TRUST (FORMERLY SIR WILLIAM BORLASE'S GRAMMAR SCHOOL)
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
INCOME FROM:						
Donations and capital grants	2	-	72,330	48,577	120,907	650,282
Charitable activities:	5					
Academy's educational operations	5	-	6,872,141	-	6,872,141	5,866,661
Teaching School	5	-	60,000	-	60,000	15,000
Other trading activities	3	211,258	20,933	-	232,191	195,696
Investments	4	1,447	-	-	1,447	1,412
TOTAL INCOME		212,705	7,025,404	48,577	7,286,686	6,729,051
EXPENDITURE ON:						
Raising funds:						
Voluntary income	6	295	11,616	-	11,911	224,357
Transferred from local authority	6	-	132,160	-	132,160	-
Charitable activities:						
Academy's educational operations	8	15,284	7,105,614	286,980	7,407,878	6,266,438
Teaching School	8	-	67,645	-	67,645	66,436
TOTAL EXPENDITURE	6	15,579	7,317,035	286,980	7,619,594	6,557,231
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		197,126	(291,631)	(238,403)	(332,908)	171,820
Transfers between Funds	18	-	(18,390)	18,390	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		197,126	(310,021)	(220,013)	(332,908)	171,820
Actuarial gains/(losses) on defined benefit pension schemes	24	-	447,000	-	447,000	(945,000)
NET MOVEMENT IN FUNDS		197,126	136,979	(220,013)	114,092	(773,180)
RECONCILIATION OF FUNDS:						
Total funds brought forward		153,059	(2,050,711)	15,970,257	14,072,605	14,845,785
TOTAL FUNDS CARRIED FORWARD		350,185	(1,913,732)	15,750,244	14,186,697	14,072,605

The notes on pages 25 to 52 form part of these financial statements.

MARLOW EDUCATION TRUST (FORMERLY SIR WILLIAM BORLASE'S GRAMMAR SCHOOL)
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07625556

BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	14		15,745,598		15,523,002
CURRENT ASSETS					
Debtors	15	611,917		1,080,178	
Cash at bank and in hand		1,178,452		916,783	
			1,790,369	1,996,961	
CREDITORS: amounts falling due within one year	16	(880,320)		(950,408)	
NET CURRENT ASSETS			910,049		1,046,553
TOTAL ASSETS LESS CURRENT LIABILITIES			16,655,647		16,569,555
CREDITORS: amounts falling due after more than one year	17		(10,950)		(10,950)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			16,644,697		16,558,605
Defined benefit pension scheme liability	24		(2,458,000)		(2,486,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			14,186,697		14,072,605
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	18	544,268		435,289	
Restricted fixed asset funds	18	15,750,244		15,970,257	
Restricted income funds excluding pension liability		16,294,512		16,405,546	
Pension reserve	18	(2,458,000)		(2,486,000)	
Total restricted income funds			13,836,512		13,919,546
Unrestricted income funds	18		350,185		153,059
TOTAL FUNDS			14,186,697		14,072,605

The financial statements on pages 22 to 52 were approved by the Trustees, and authorised for issue, on 18 December 2017 and are signed on their behalf, by:

.....
I Duguid

Chair of Trustees

The notes on pages 25 to 52 form part of these financial statements.

MARLOW EDUCATION TRUST (FORMERLY SIR WILLIAM BORLASE'S GRAMMAR SCHOOL)
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by operating activities	20	<u>650,381</u>	<u>809,385</u>
Cash flows from investing activities:			
Returns on investments and servicing of finance		1,447	1,412
Proceeds from the sale of tangible fixed assets		-	8,000
Purchase of tangible fixed assets		(509,576)	(1,943,531)
Capital grants from DfE/ESFA		38,820	-
Capital funding received from sponsors and others		9,757	591,417
Funds transferred on conversion		70,840	-
Net cash used in investing activities		<u>(388,712)</u>	<u>(1,342,702)</u>
Change in cash and cash equivalents in the year		261,669	(533,317)
Cash and cash equivalents brought forward		<u>916,783</u>	<u>1,450,100</u>
Cash and cash equivalents carried forward	21	<u><u>1,178,452</u></u>	<u><u>916,783</u></u>

The notes on pages 25 to 52 form part of these financial statements.

MARLOW EDUCATION TRUST (FORMERLY SIR WILLIAM BORLASE'S GRAMMAR SCHOOL)
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

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

Marlow Education Trust (formerly Sir William Borlase's Grammar School) constitutes a public benefit entity as defined by FRS 102. It is a company limited by guarantee, incorporated in England. The address of the registered office and principal place of operations are detailed on page 1. The nature of the Academy's operations are detailed in the Trustees' Report.

1.2 Fund accounting

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

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

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

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

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

1. ACCOUNTING POLICIES (continued)

1.3 Income

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

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

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

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

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

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

Where assets are received by the trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risk and rewards of ownership pass to the trust. An equal amount of income is recognised as a transfer on conversion within Income from donations and capital grants.

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

1. ACCOUNTING POLICIES (continued)

1.4 Expenditure

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

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.

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

All expenditure is inclusive of irrecoverable VAT.

1.5 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements

1.6 Operating leases

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

1.7 Taxation

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

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

1. ACCOUNTING POLICIES (continued)

1.8 Tangible fixed assets and depreciation

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

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

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

Long leasehold property	-	2% per annum on cost (buildings only)
Motor vehicles	-	15% per annum on cost
Equipment	-	15% per annum on cost
Computer equipment	-	33% per annum on cost

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

1.9 Debtors

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

1.10 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.

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

1. ACCOUNTING POLICIES (continued)

1.11 Liabilities and provisions

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

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

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments.

1.13 Pensions

Retirement benefits to employees of the Academy Trust 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 Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 24, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

1. ACCOUNTING POLICIES (continued)

1.13 Pensions (continued)

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

1.14 Conversion to an academy trust

The conversion from a state maintained school to an Academy Trust involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Beechview School to an Academy Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Charitable activities - transfer from local authority on conversion in the Statement of Financial Activities incorporating Income and Expenditure Account and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 22.

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NOTES TO THE FINANCIAL STATEMENTS
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1. ACCOUNTING POLICIES (continued)

1.15 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

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

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations	-	72,330	9,757	82,087	320,737
DfE/ESFA capital grants	-	-	38,820	38,820	329,545
	-	72,330	48,577	120,907	650,282
<i>Total 2016</i>	8,086	50,779	591,417	650,282	

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3. OTHER TRADING ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Hire of facilities	52,816	-	52,816	47,575
School fund income	158,442	8,268	166,710	146,269
Other income	-	12,665	12,665	1,852
	<u>211,258</u>	<u>20,933</u>	<u>232,191</u>	<u>195,696</u>
<i>Total 2016</i>	<u>47,575</u>	<u>148,121</u>	<u>195,696</u>	

4. INVESTMENT INCOME

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Bank interest receivable	1,447	-	1,447	1,412
	<u>1,447</u>	<u>-</u>	<u>1,447</u>	<u>1,412</u>
<i>Total 2016</i>	<u>1,412</u>	<u>-</u>	<u>1,412</u>	

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5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	5,219,494	5,219,494	4,546,730
Start up grants	-	50,000	50,000	70,000
Other DfE/ESFA revenue grants	-	183,881	183,881	35,621
Pupil premium	-	113,630	113,630	19,709
Teaching school	-	60,000	60,000	15,000
	-	5,627,005	5,627,005	4,687,060
Other government grants				
Other local authority revenue grants	-	58,774	58,774	10,476
Other grants	-	78,246	78,246	10,735
	-	137,020	137,020	21,211
Other funding				
Trip income	-	937,645	937,645	964,801
Other income	-	230,471	230,471	208,589
	-	1,168,116	1,168,116	1,173,390
	-	6,932,141	6,932,141	5,881,661
<i>Total 2016</i>	-	5,881,661	5,881,661	

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

6. EXPENDITURE

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Expenditure on raising voluntary income	-	-	11,911	11,911	224,357
Transferred from local authority	-	-	132,160	132,160	-
Academy's educational operations:					
Direct costs	3,975,869	-	1,656,653	5,632,522	4,839,537
Support costs	729,949	757,409	287,998	1,775,356	1,426,901
Teaching School	63,369	-	4,276	67,645	66,436
	<u>4,769,187</u>	<u>757,409</u>	<u>2,092,998</u>	<u>7,619,594</u>	<u>6,557,231</u>
<i>Total 2016</i>	<u>3,897,435</u>	<u>667,083</u>	<u>1,992,713</u>	<u>6,557,231</u>	

7. EXPENDITURE - ANALYSIS OF SPECIFIC EXPENSES

Included within expenditure are the following transactions:

	Total £	Individual items above £5,000 Amount £
Gifts made by the trust	120	-

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8. CHARITABLE ACTIVITIES

	Total funds 2017 £	Total funds 2016 £
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Teaching and educational support staff costs	3,976,818	3,321,663
Depreciation	105,167	90,491
Technology costs	148,565	127,058
Educational supplies	123,807	86,664
Staff expenses and other costs	122,875	58,791
Examination fees	129,227	136,711
School trips expenditure	942,485	970,101
Educational consultancy	57,197	36,113
Other direct costs	26,381	11,945
	5,632,522	4,839,537
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Support staff costs	729,000	522,955
Depreciation	181,813	141,219
Pension finance cost	57,000	54,000
Catering supplies	22,790	2,788
Maintenance of premises and equipment	274,351	256,127
Cleaning	112,042	113,067
Energy	91,710	79,305
Transport and security costs	24,528	23,275
Rates	61,648	56,395
Legal and professional costs	75,272	55,914
Non staff related insurance	60,473	51,700
Other support costs	67,897	60,303
Bank charges	32	(50)
Governance costs	16,800	10,421
	1,775,356	1,426,901
	7,407,878	6,266,438
OTHER ACTIVITIES		
Teaching School	67,645	66,436
	7,475,523	6,332,874

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9. NET RESOURCES EXPENDED/(INCOMING RESOURCES)

This is stated after charging/(crediting):

	2017	2016
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	286,980	231,710
Auditors' remuneration - audit	12,000	9,000
Auditors' remuneration - other services	4,800	1,421
Operating lease rentals	14,451	16,018
(Profit) on disposal of fixed assets	-	(4,438)
	=====	=====

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NOTES TO THE FINANCIAL STATEMENTS
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10. STAFF COSTS

Staff costs were as follows:

	2017	2016
	£	£
Wages and salaries	3,606,517	3,060,939
Social security costs	341,821	250,688
Operating costs of defined benefit pension schemes	802,056	582,182
	4,750,394	3,893,809
Apprenticeship levy	1,392	-
Supply teacher costs	16,877	3,626
Staff restructuring costs	524	-
	4,769,187	3,897,435

Staff restructuring costs comprise:

	2017	2016
	£	£
Severance payments	524	-

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £524 (2016: £nil), an individual amount.

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

	2017	2016
	No.	No.
Teachers	73	56
Administration and support	76	59
Management	4	7
	153	122

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

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

These two employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2017, pension contributions for these staff amounted to £29,438 (2016 - £28,301).

The key management personnel of the Academy Trust comprises the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employers national insurance) received by key management personnel for their services to the Academy Trust was £307,308 (2016 - £270,140).

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NOTES TO THE FINANCIAL STATEMENTS
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11. CENTRAL SERVICES

No central services were provided by the Academy Trust to its academies during the year and no central charges arose.

12. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

		2017	2016
		£	£
P Holding (Headteacher)	Remuneration	105,000-110,000	100,000-105,000
	Pension contributions paid	15,000-20,000	15,000-20,000
S Hill (resigned 30 September 2016)	Remuneration	0-5,000	45,000-50,000
	Pension contributions paid	0-5,000	5,000-10,000
D Parsons (resigned 30 September 2016)	Remuneration	0-5,000	45,000-50,000
	Pension contributions paid	0-5,000	5,000-10,000
H Bambridge (resigned 30 September 2016)	Remuneration	0-5,000	10,000-15,000
	Pension contributions paid	0-5,000	0-5,000

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

During the year ended 31 August 2017, no expenses (2016 - £1,000) were reimbursed to nil Trustees (2016 - 3 Trustees).

13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2017 was £1,052 (2016 - £999).

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14. TANGIBLE FIXED ASSETS

	Long leasehold property £	Motor vehicles £	Equipment £	Computer equipment £	Total £
Cost					
At 1 September 2016	15,892,675	15,610	457,869	197,330	16,563,484
Additions	417,185	-	47,944	44,447	509,576
At 31 August 2017	<u>16,309,860</u>	<u>15,610</u>	<u>505,813</u>	<u>241,777</u>	<u>17,073,060</u>
Depreciation					
At 1 September 2016	714,084	12,293	224,831	89,274	1,040,482
Charge for the year	181,814	2,342	70,576	32,248	286,980
At 31 August 2017	<u>895,898</u>	<u>14,635</u>	<u>295,407</u>	<u>121,522</u>	<u>1,327,462</u>
Net book value					
At 31 August 2017	<u>15,413,962</u>	<u>975</u>	<u>210,406</u>	<u>120,255</u>	<u>15,745,598</u>
At 31 August 2016	<u>15,178,591</u>	<u>3,317</u>	<u>233,038</u>	<u>108,056</u>	<u>15,523,002</u>

Included in long leasehold property is land at valuation of £7,057,500 (2016: £7,057,500) which is not depreciated.

The leasehold land and buildings of Beechview Academy was inherited on conversion to Academy status and no independent valuation was provided at the date of transfer. The ESFA have confirmed that they will provide a valuation to the Academy during 2018. The Trustees have not sought a valuation of the land and buildings as at 31 August 2017 as they did not consider this to be an appropriate use of Academy funds.

The leasehold land and buildings is owned by Buckinghamshire County Council. The Academy Trust has a 125 year lease and no payments to Buckinghamshire County Council are required under the lease.

15. DEBTORS

	2017 £	2016 £
Trade debtors	32,007	19,623
Other debtors	92,938	404,511
Prepayments and accrued income	486,972	656,044
	<u>611,917</u>	<u>1,080,178</u>

At the Balance Sheet date, prepayments and accrued income relates mainly to prepaid school trip expenditure.

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

16. CREDITORS: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	133,870	281,080
Other taxation and social security	168,823	146,776
Other creditors	33,448	40,335
Accruals and deferred income	544,179	482,217
	<u>880,320</u>	<u>950,408</u>
	2017 £	2016 £
Deferred income		
Deferred income at 1 September 2016	398,716	446,511
Resources deferred during the year	469,782	398,716
Amounts released from previous years	(398,716)	(446,511)
Deferred income at 31 August 2017	<u>469,782</u>	<u>398,716</u>

At the Balance Sheet date, deferred income of £469,782 relates to funds received in advance for school trips after August 2017 and grant received relating to the next academic year.

Included within other creditors is a Salix loan repayable of £3,128 as a reduction of revenue payments over 3 years. No interest is charged on the loan.

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

	2017 £	2016 £
Other creditors	<u>10,950</u>	<u>10,950</u>

Included within other creditors is a Salix loan repayable as a reduction of revenue payments over 3 years. No interest is charged on the loan.

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NOTES TO THE FINANCIAL STATEMENTS
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18. STATEMENT OF FUNDS

	Balance at 1 September 2016 £	Income £	Resources expended £	Transfers in/(out) £	Gains/ (losses) £	Balance at 31 August 2017 £
Unrestricted funds						
Unrestricted funds	153,059	54,263	(15,284)	-	-	192,038
School fund	-	158,442	(295)	-	-	158,147
	<u>153,059</u>	<u>212,705</u>	<u>(15,579)</u>	<u>-</u>	<u>-</u>	<u>350,185</u>
Restricted funds						
General Annual Grant (GAG)	142,735	5,219,494	(5,249,447)	(18,390)	-	94,392
Other DfE/ESFA grants	18,166	183,881	(100,403)	-	-	101,644
DfE/ESFA start up grants	-	50,000	(50,000)	-	-	-
Pupil premium	-	113,630	(113,630)	-	-	-
Funds transferred from local authority school	58,726	-	(132,160)	203,000	-	129,566
Other local authority grants	-	58,774	(58,774)	-	-	-
School fund	201,098	8,268	(11,616)	-	-	197,750
Other grants	-	78,246	(64,250)	-	-	13,996
Teaching School	14,564	60,000	(67,644)	-	-	6,920
Trip income	-	937,645	(937,645)	-	-	-
Other income	-	315,466	(315,466)	-	-	-
Pension reserve	(2,486,000)	-	(216,000)	(203,000)	447,000	(2,458,000)
	<u>(2,050,711)</u>	<u>7,025,404</u>	<u>(7,317,035)</u>	<u>(18,390)</u>	<u>447,000</u>	<u>(1,913,732)</u>
Restricted fixed asset funds						
Fixed asset fund	15,523,002	-	(286,980)	509,576	-	15,745,598
Devolved formula capital	-	29,842	-	(29,842)	-	-
Capital improvement fund	274,485	8,978	-	(278,817)	-	4,646
Donated assets	172,770	9,757	-	(182,527)	-	-
	<u>15,970,257</u>	<u>48,577</u>	<u>(286,980)</u>	<u>18,390</u>	<u>-</u>	<u>15,750,244</u>
Total restricted funds	<u>13,919,546</u>	<u>7,073,981</u>	<u>(7,604,015)</u>	<u>-</u>	<u>447,000</u>	<u>13,836,512</u>
Total of funds	<u>14,072,605</u>	<u>7,286,686</u>	<u>(7,619,594)</u>	<u>-</u>	<u>447,000</u>	<u>14,186,697</u>

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18. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2015 £	Income £	Resources expended £	Transfers in/(out) £	Gains/ (losses) £	Balance at 31 August 2016 £
Unrestricted funds						
Unrestricted funds	109,760	57,073	(13,774)	-	-	153,059
	<u>109,760</u>	<u>57,073</u>	<u>(13,774)</u>	<u>-</u>	<u>-</u>	<u>153,059</u>
Restricted funds						
General Annual Grant (GAG)	355,463	4,572,086	(4,514,990)	(269,824)	-	142,735
Other DfE/ESFA grants	66,591	80,265	(128,690)	-	-	18,166
SEN	-	6,780	(6,780)	-	-	-
Funds transferred from local authority school	58,726	-	-	-	-	58,726
Other restricted funds	2,333	1,226,021	(1,228,354)	-	-	-
School fund	279,186	146,269	(224,357)	-	-	201,098
Pupil premium	-	19,709	(19,709)	-	-	-
Other government grants	-	10,735	(10,735)	-	-	-
Other local authority grants	-	3,696	(3,696)	-	-	-
Teaching School	66,000	15,000	(66,436)	-	-	14,564
Pension reserve	(1,433,000)	-	(108,000)	-	(945,000)	(2,486,000)
	<u>(604,701)</u>	<u>6,080,561</u>	<u>(6,311,747)</u>	<u>(269,824)</u>	<u>(945,000)</u>	<u>(2,050,711)</u>
Restricted fixed asset funds						
Fixed asset fund	13,814,744	-	(231,710)	1,939,968	-	15,523,002
Devolved formula capital	-	24,025	-	(24,025)	-	-
Capital improvement fund	1,525,982	305,520	-	(1,557,017)	-	274,485
Donated assets	-	261,872	-	(89,102)	-	172,770
	<u>15,340,726</u>	<u>591,417</u>	<u>(231,710)</u>	<u>269,824</u>	<u>-</u>	<u>15,970,257</u>
Total restricted funds	<u>14,736,025</u>	<u>6,671,978</u>	<u>(6,543,457)</u>	<u>-</u>	<u>(945,000)</u>	<u>13,919,546</u>
Total of funds	<u>14,845,785</u>	<u>6,729,051</u>	<u>(6,557,231)</u>	<u>-</u>	<u>(945,000)</u>	<u>14,072,605</u>

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18. 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's objectives.

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

The pension reserve deficit represents the future pension funding requirements which will be met from future employer pension contributions.

School fund represents balances to be spent on school fund activities.

Funds from local authority school are to be spent on educational activities by the Academy.

Restricted fixed assets are funds representing the amounts invested in fixed assets, and unspent grants.

The transfer between restricted funds and restricted fixed asset funds represents amounts capitalised during the period less amounts funded from capital grants.

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

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2017 were allocated as follows:

	Total 2017 £	Total 2016 £
Sir William Borlase's Grammar School	706,027	588,348
Beechview Academy	100,626	-
MAT capacity grant	87,800	-
Total before fixed asset fund and pension reserve	894,453	588,348
Restricted fixed asset fund	15,750,244	15,970,257
Pension reserve	(2,458,000)	(2,486,000)
Total	14,186,697	14,072,605

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18. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY COST

Expenditure incurred by each Academy excluding the amount transferred from local authority and depreciation during the year was as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2017 £	Total 2016 £
Sir William Borlase's Grammar School	3,456,529	636,946	1,470,745	746,725	6,310,945	6,325,521
Beechview Academy	520,289	92,054	95,589	101,732	809,664	-
MAT capacity grant	-	-	-	12,200	12,200	-
Teaching school	63,369	-	-	4,276	67,645	-
	<u>4,040,187</u>	<u>729,000</u>	<u>1,566,334</u>	<u>864,933</u>	<u>7,200,454</u>	<u>6,325,521</u>

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	15,745,598	15,745,598
Current assets	350,185	1,435,538	4,646	1,790,369
Creditors due within one year	-	(880,320)	-	(880,320)
Creditors due in more than one year	-	(10,950)	-	(10,950)
Pension scheme liabilities	-	(2,458,000)	-	(2,458,000)
	<u>350,185</u>	<u>(1,913,732)</u>	<u>15,750,244</u>	<u>14,186,697</u>

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19. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds
	2016	2016	2016	2016
	£	£	£	£
Tangible fixed assets	-	-	15,523,002	15,523,002
Current assets	153,059	1,396,647	447,255	1,996,961
Creditors due within one year	-	(950,408)	-	(950,408)
Creditors due in more than one year	-	(10,950)	-	(10,950)
Pension scheme liabilities	-	(2,486,000)	-	(2,486,000)
	<u>153,059</u>	<u>(2,050,711)</u>	<u>15,970,257</u>	<u>14,072,605</u>

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

	2017 £	2016 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(332,908)	171,820
Adjustment for:		
Depreciation charges	286,980	231,710
Dividends, interest and rents from investments	(1,447)	(1,412)
Profit on the sale of fixed assets	-	(4,438)
Decrease in debtors	468,261	703,097
(Decrease)/increase in creditors	(70,088)	192,025
Capital grants from DfE and other capital income	(48,577)	(591,417)
Pension FRS 102 adjustments	216,000	108,000
Pension transferred on conversion	203,000	-
Assets and liabilities on conversion	(70,840)	-
Net cash provided by operating activities	<u>650,381</u>	<u>809,385</u>

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash in hand	1,178,452	916,783
Total	<u>1,178,452</u>	<u>916,783</u>

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22. CONVERSION TO AN ACADEMY TRUST

On 01 October 2016 Beechview School converted to Academy Trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Marlow Education Trust (formerly Sir William Borlase's Grammar School) from Buckinghamshire County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised as a net loss in the Statement of Financial Activities incorporating Income and Expenditure Account as Charitable activities - transfer from local authority on conversion

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities incorporating Income and Expenditure Account.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Budget surplus/(deficit) on LA funds	-	70,840	-	70,840
LGPS pension surplus/(deficit)	-	(203,000)	-	(203,000)
Net assets/(liabilities)	<u>-</u>	<u>(132,160)</u>	<u>-</u>	<u>(132,160)</u>

The above net liabilities include £70,840 that were transferred as cash.

23. CAPITAL COMMITMENTS

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

	2017 £	2016 £
Contracted for but not provided in these financial statements	<u>-</u>	<u>431,075</u>

24. PENSION COMMITMENTS

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

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

Contributions amounting to £90,475 were payable to the schemes at 31 August 2017 (2016 - 68,950) and are included within creditors.

Teachers' Pension Scheme

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

24. PENSION COMMITMENTS (continued)

Introduction

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

The Teachers' Pension Budgeting and Valuation Account

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

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

Valuation of the Teachers' Pension Scheme

The latest actuarial review of the TPS was carried out as at 31 March 2012 and in accordance with The Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014.

The valuation report was published by the Department on 9 June 2014. The key results of the valuation are:

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

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

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

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

Scheme Changes

NOTES TO THE FINANCIAL STATEMENTS
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24. PENSION COMMITMENTS (continued)

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

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

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

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

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

The employer's pension costs paid to TPS in the period amounted to £399,596 (2016 - £347,627).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £280,000 (2016 - £242,000), of which employer's contributions totalled £221,000 (2016 - £188,000) and employees' contributions totalled £59,000 (2016 - £54,000). The agreed contribution rates for future years are 22.8% for employers and between 5.5% and 12.5% for employees.

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

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24. PENSION COMMITMENTS (continued)

Principal actuarial assumptions:

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

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

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

Sensitivity analysis - present value of obligation	At 31 August 2017	At 31 August 2016
	£	£
Discount rate +0.1%	4,786,000	4,120,000
Discount rate -0.1%	5,015,000	4,313,000
Mortality assumption - 1 year increase	5,063,000	4,335,000
Mortality assumption - 1 year decrease	4,741,000	4,098,000
CPI rate +0.1%	4,999,000	4,301,000
CPI rate -0.1%	4,802,000	4,131,000

The Academy Trust's share of the assets in the scheme was:

	Fair value at 31 August 2017	Fair value at 31 August 2016
	£	£
Equities	1,364,000	946,000
Gilts	237,000	225,000
Debt instruments	318,000	210,000
Property	180,000	141,000
Cash and other liquid assets	84,000	57,000
Alternative assets and other	258,000	150,000
	<hr/>	<hr/>
Total market value of assets	2,441,000	1,729,000
	<hr/> <hr/>	<hr/> <hr/>

The actual return on scheme assets was £256,000 (2016 - £225,000).

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

24. PENSION COMMITMENTS (continued)

The amounts recognised in the Statement of Financial Activities incorporating Income and Expenditure Account are as follows:

	2017 £	2016 £
Current service cost	(379,000)	(232,000)
Interest cost	(57,000)	(54,000)
Administrative expenses	(1,000)	(10,000)
	<u>(437,000)</u>	<u>(296,000)</u>

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

	2017 £	2016 £
Opening defined benefit obligation	4,215,000	2,725,000
Upon conversion	388,000	-
Current service cost	379,000	232,000
Interest cost	102,000	110,000
Employee contributions	59,000	54,000
Actuarial (gains)/losses	(226,000)	1,114,000
Benefits paid	(18,000)	(20,000)
	<u>4,899,000</u>	<u>4,215,000</u>

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

	2017 £	2016 £
Opening fair value of scheme assets	1,729,000	1,292,000
Upon conversion	185,000	-
Interest income	45,000	56,000
Actuarial losses	221,000	169,000
Employer contributions	221,000	188,000
Employee contributions	59,000	54,000
Benefits paid	(18,000)	(20,000)
Administration expenses	(1,000)	(10,000)
	<u>2,441,000</u>	<u>1,729,000</u>

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PENSION COMMITMENTS (continued)

The amount shown in the Statement of Financial Activities is:

	2017 £	2016 £
Changes in financial assumptions	226,000	(1,114,000)
Return on plan assets	221,000	169,000
Actuarial gains/(losses) on defined benefit pension schemes	<u>447,000</u>	<u>(945,000)</u>

The amount recognised in the Balance Sheet was as follows:

	2017 £	2016 £
Present value of defined benefit obligation	(4,899,000)	(4,215,000)
Fair value of scheme assets	2,441,000	1,729,000
Defined benefit pension scheme liability	<u>(2,458,000)</u>	<u>(2,486,000)</u>

25. OPERATING LEASE COMMITMENTS

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

	2017 £	2016 £
Amounts payable:		
Within 1 year	13,608	20,748
Between 1 and 5 years	28,717	36,885
After more than 5 years	-	4,512
Total	<u>42,325</u>	<u>62,145</u>

26. RELATED PARTY TRANSACTIONS

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

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

NOTES TO THE FINANCIAL STATEMENTS
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27. 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.