

**MARLOW EDUCATION TRUST**

**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2018**

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**MARLOW EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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**CONTENTS**

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	Page
<b>Reference and administrative details</b>	1 – 2
<b>Trustees' report</b>	3 – 12
<b>Governance statement</b>	13 – 16
<b>Statement on regularity, propriety and compliance</b>	17
<b>Statement of trustees' responsibilities</b>	18
<b>Independent auditor's report on the financial statements</b>	19 – 21
<b>Independent reporting accountant's report on regularity</b>	22 – 23
<b>Statement of financial activities incorporating income and expenditure account</b>	24
<b>Balance sheet</b>	25
<b>Statement of cash flows</b>	26
<b>Notes to the financial statements</b>	27 – 54

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**MARLOW EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

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**Members**

Charles Elly (Chairman)  
Annabel Nicoll  
Deborah Eyre  
Peter Holding Advisor

**Directors and Trustees**

Mr I Duguid (Chairman)  
Mr S Knight (Chairman of Beechview LGB - resigned as chair 1 September 2017)  
Mrs C Redcliffe (Chairman of SWBGS LGB)  
Mr R Krajewski  
Mr A Handford (Acting Chair of Beechview, LGB – to which appointed 11 October 2018)

**Executive**

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

**Company Secretary**

C S McLeod

**Senior Management Team**

Dr P Holdings COO  
Mr A Blackmore (Head Teacher Beechview)  
Ms K Mountfield (Head Teacher Sir William Borlase's Grammar School)  
Mrs C McLeod (Business Manager and Chief Financial Officer)

**Company Name**

Marlow Education Trust

**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

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**MARLOW EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

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**Bankers**

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

**Solicitors**

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

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**MARLOW EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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The trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2017 to 31 August 2018. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust is a Multi Academy Trust (MAT) which operates two academies: Sir William Borlase's Grammar School (SWBGS) – 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 1,086 in the school census on 5 October 2018; and Beechview Academy – a primary academy with catchment area in High Wycombe. It has a pupil capacity of 240 and had a roll of 183 in the school census on 5 October 2018.

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**

Marlow Education 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 Company.

The Trustees of Marlow Education Trust are also the directors of the charitable company for the purposes of company law.

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 Directors benefit from indemnity insurance to cover the liability 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 MAT. The cost of this insurance in the year was £219.

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

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

Subject to Articles 48-49 and 53, the 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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**MARLOW EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

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**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 governing boards (LGBs), individual academies' Senior Leadership Teams (SLT) and individual academies' 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 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 SLT and Heads of Departments, which is performed in conjunction with the Local Governors.

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

**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 at the Academy, 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 Academy. 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 pay decisions.

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**MARLOW EDUCATION TRUST  
(A Company Limited by Guarantee)**

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

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**Arrangements for setting pay and remuneration of key management personnel**

The Head teachers' reviews will be done by the LGB, subject to their individual SoD. The LGB 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; a 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 SoD, 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.

**Trade union facility time**

**Relevant union officials**

Number of employees who were relevant union officials during the relevant period	1	Full-time equivalent employee number	1
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**Percentage of time spent on facility time**

Percentage of time	Number of employees
0%	1
1%-50%	
51%-99%	
100%	

**Percentage of pay bill spent on facility time**

Provide the total cost of facility time	£0
Provide the total pay bill	
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	

**Paid trade union activities**

Time spent on paid trade union activities such as a percentage of total paid facility time hours calculated as:	0%
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(total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100

**Related Parties and other Connected Charities and Organisations**

Marlow Education Trust is not controlled by a third party in the detailed management of the delivery of its objectives.

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**MARLOW EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

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Marlow Education Trust 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 (Charity Number 1160539);  
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 academies 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.

The board has considered its effectiveness, especially in relation to the following areas, roles and responsibilities of Directors, Governors and Senior Leadership, assessment of the new Governors' days and in building and establishing relationships within the wider Marlow community, with a view to broaden MAT expansion for the future. The board continued to drive 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.

### **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.

### **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.

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

- 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

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

**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 77.2% gaining A\*-B grades.

	2015	2016	2017	2018
<b>No of candidates</b>	183	204	193	213
<b>% A+ - B</b>	82.4	77.8	76.2	77.2
<b>Average point score per A level entry</b>			41.5	42.61

***GCSE Results***

Nearly 68% of all GCSE grades was at 7, 8 or 9 and an average attainment 8 score means that our average GCSE result was a 7 grade.

	2015	2016	2017	2018
<b>No of candidates</b>	135	139	137	140
<b>Total number of entries</b>	1331	1366	1339	1345
<b>Average points per GCSE</b>	52.3	51.8	52.4	
<b>Average attainment 8 score per pupil</b>		71.4	74.3	73.7
<b>ss 8 score</b>		.43	0.89	0.74
<b>% 7/8/9</b>	74.9	70.6	74.5	67.9

**Key Performance Indicators**

	2017/18	2016/17	2015/16
Donations as % of Income (Exc capital funding)	3%	2%	5%
Teaching staff costs per pupil £000s	3.3	3.3	3.2
Support staff costs per pupil	£504	£591	£490

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

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**Beechview Academy.**

Beechview's 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.

***Milestones in the past two years.***

Major improvements to the school's Health and Safety have been achieved through government condition improvement funding (CIF), which has paid for a complete overhaul of the fire alarm system and replacement of all of the school's fire doors.

The school has made strides in tackling behaviour and attendance. Beechview's overall attendance figures are now above national averages, with over 96% attendance last year, and with very low levels of unauthorised or persistent absence. Behaviour is now consistently good among all children, with clear and consistent application of our behaviour policy. There are very few incidents of major behaviour problems and no significant instances of bullying last year. The introduction of a new governor with specific experience in, and responsibility for, Safeguarding has also strengthened this crucial area of our work.

Our focus on a wholistic approach to the children's welfare encompasses concern for their home care, their diet and their overall health. Our Breakfast Club is offered free for all children and consistently tops 90 in attendance. The Club also gives us access to early signs of children's difficulties, and provides an informal setting for tackling everything from welfare to literacy.

Our Literacy and Numeracy performance figures (see below) put us well under the national expected standards and we have to move fast. There has been a renewed focus on core literacy, with support from the Driver Youth Trust, and core numeracy, with support via the Maths Hub and the Buckinghamshire Side by Side project. Our Partnership in Excellence (PiXL) membership has sharpened the school's focus on and use of, high quality data to monitor pupil performance, and, crucial, sharpen our interventions on those who are not thriving as expected. DYT and Side by Side consultants provide challenge and training to teachers. We have also developed further collaboration with local schools, with Continuing Professional Development links with Sir William Borlase's, St Michael's, Danesfield, Aspire and Ivingswood School all planned for this year.

**Results**

KS2 % at least the expected standard	Read/ Writ TA/ Maths				
	2014	2015	2016	2017	2018
<b>School</b>	N/A	N/A	27.6	27.6	28
<b>Bucks</b>	N/A	N/A	56.7	63.4	66
<b>Difference*</b>	N/A	N/A	-29.1	-35.8	-38
<b>National</b>	N/A	N/A	53.0	61.0	64

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

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**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, in both our Academies, 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 channelled into teaching and learning, especially at Beechview.

Donations and Capital Grants show an increase this year. Our CIF bids secured a £283k project to replace the fire alarm system, emergency lighting and fire door replacement at Beechview. This work was largely completed by the end of the financial year. With final completion date due of 30<sup>th</sup> November.

We successfully completed our Fire Protection and Emergency Lighting CIF work at Sir William Borlase's Grammar School 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.

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 chief financial officer. 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).

**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.

At 31 August 2018 the total funds comprised:

Unrestricted		232,724
Restricted:	Fixed asset funds	18,310,316
	GAG	-
	Pension reserve	(2,243,000)
	Other	667,506
		<u>£16,967,546</u>

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

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**Reserves Policy (continued)**

**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, the finance and audit working group, 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 (principally via the local Governing Bodies and the constituted subcommittees), risk management principles such that any major risks highlighted at any LGB or 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 the SMTs.

**FUNDRAISING**

We make every effort to follow best practice, honesty and transparency in all our Fundraising activities. Our activities are mainly performed by internal staff at each of our Academies, with the exception of one off projects, such as our Telethon and consent capture for our Sir William Borlase's Grammar School Academy. Where we use the services of external consultants, their performance and approach is closely monitored and directed by our internal staff.

We ensure that our activities and those of our consultants conform to recognised standards, including the GDPR regulations. We approach our contacts in a respectful way, being aware of the total number of times we ask for support and taking care to respect the expressions for opt out that we keep up to date on our databases.

We have had no complaints about our fundraising practices and continue to be vigilant about protecting the public from unreasonably intrusive or persistent approaches. We never put pressure on people to donate.

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

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**PLANS FOR FUTURE PERIODS**

**The Marlow Education Trust**

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. Two potential partner schools have been identified (one of whom, to date, has also communicated to its stakeholders its intention to join).
- Develop a central executive function that meets the needs of a growing Trust.

**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 line with the school's vision Outstanding for All – Borlase and Beyond. In order to do so the school has identified the following development priorities:

- Continue to develop all our teachers as Outstanding Practitioners through an innovative research-based CPD programme.
- Build on our Tutoring Programming and our PSHE provision, ensuring the highest quality of support for all pupils covering the key agendas of Careers, Equalities, use of Social Media and Emotional Health.
- Enrich our Sixth Form provision further with a weekly lecture series, community links, guided support for independent study and enhanced Careers Advice.
- Take on the role of *Lead* Teaching School, enabling us to recruit our own School Direct training places and build on these numbers at a time of challenging recruitment. In this capacity we will further develop our outstanding provision of CPD to a wide audience of schools.
- Embark on year 1 as a DfE designated MFL Hub, working with 4 secondary schools in Buckinghamshire to raise attainment and uptake in MFL.
- Undertake a review of our Curriculum to ensure the needs of all pupils are met giving them breadth, enrichment and challenge.
- Focus on our academic priorities- key subjects at GCSE and improving our L3VA at KS5 including raising our number of A\* grades.
- Continue to play a leading role in the developing Trust.
- Work in partnership with Great Marlow School to enhance our Rowing provision, via a new boathouse.
- Embark on a Capital Campaign to extend on-site sporting provision through the construction of a new Sports Hall.
- Working in partnership with Great Marlow School to expand our curricula and extra curricula provision.
- Focus academic developments upon the improvement of our Level 3 Value Added, targeting an Alps rating of 3 or above.

The school continues to offer a wide range of extra -curricular and super-curricular opportunities. There are clubs and competitions for students across almost all academic subjects. The Arts are thriving with 10 choral ensembles, 9 large instrumental ensembles and a large number of Dance ensembles including a very strong boys Dance company which has been selected to perform at the National Specialist Schools Conference in Birmingham this year.

The wide range of Sports continues to be offered from elite National level Hockey to KS3 Cheerleading. Duke of Edinburgh programme has record numbers taking up Bronze, Silver and Gold awards; this year's Gold Expeditions took the students to Snowdonia and Albania.

We have launched a new variation on the Model United Nations programme, to Year 9. The main focus of our wider curriculum development this year will be the strengthening of our Emotional Health and Wellbeing programmes.

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

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**PLANS FOR FUTURE PERIODS (continued)**

**Beechview Primary Academy**

Beechview School was rated "inadequate" at its last (pre-academisation) Ofsted review. 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.

**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.

This Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 10 December 2018 and signed on the board's behalf by:

.....  
**I Duguid**  
Chair of Directors/Trustees

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**MARLOW EDUCATION TRUST**  
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**GOVERNANCE STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**SCOPE OF RESPONSIBILITY**

The 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 teachers are 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 6 times during the year. Local governing bodies have met and attendance during the year at meetings were as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Mr I Duguid (Chairman)	5	6
Mr A Handford	6	6
Mr R Krajewski	6	6
Mrs C Redcliffe	6	6
Mr S Knight	6	6

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:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Dr H Bethell	5	6
Mr J Biggs	3	6
Mr J Breedon	5	6
Mrs A Brown	6	6
Mr K Gale	6	6
Mr E Hillyards	3	5
Mrs K Kennedy	5	6
Mr S Miall	3	4
Prof G Morgan	4	6
Mr T Presho	3	6
Mrs C Redcliffe (Chair)	6	6
Mr P Sharp	4	6

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**MARLOW EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

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**GOVERNANCE (continued)**

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

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Mrs M Bovington (Staff Governor)	5	5
Mrs M Bull	4	6
Mrs K Collins	4	6
Mr A Coulthard	6	6
Mrs C Dollin	5	6
Mr S Knight	6	6

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

	<b>Meetings attended</b>	<b>Out of a possible</b>
Mr R Krajewski	9	9
Mr K Gale	9	9
Mrs C Dollin	7	9

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

The board has considered their effectiveness, especially in relation to the following areas: roles and responsibilities of Directors, Governors and Senior Leadership; assessment of the new Governors' days; and in building and establishing relationships within the wider Marlow community, with a view to broaden MAT expansion for the future. The board continued to drive 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.

**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.

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**MARLOW EDUCATION TRUST  
(A Company Limited by Guarantee)**

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

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**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 Marlow Education Trust for the period 1 September 2017 to 31 August 2018 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 2017 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the 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.

The Trust board has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. The Finance and Audit working group (FAWG) 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 FAWG. Their report 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 FAWG considered each report from MHA MacIntyre Hudson and their recommendations.

Checks carried out during the year:

- testing of payroll systems
- grants 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 FAWG on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

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**MARLOW EDUCATION TRUST  
(A Company Limited by Guarantee)**

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

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**REVIEW OF EFFECTIVENESS**

As accounting officer the Headteacher 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 10 December 2018 and signed on its behalf by:

.....  
**I Duguid**  
Chair of Trustees

.....  
**PA Holding**  
Accounting Officer

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**MARLOW EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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As Accounting Officer of Marlow Education Trust I have considered my responsibility to notify the Academy Trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

I confirm that I and the Academy Trust board of trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2017.

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

.....  
**P A Holding**  
Accounting officer

10 December 2018

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**MARLOW EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable 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 10 December 2018 and signed on its behalf by:

.....  
**I Duguid**  
Chair of Trustees

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**MARLOW EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
MARLOW EDUCATION TRUST**

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**OPINION**

We have audited the financial statements of Marlow Education Trust (the 'Academy Trust') for the year ended 31 August 2018 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 2017 to 2018 issued by the Education & Skills Funding Agency.

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 2018 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 2017 to 2018 issued by the Education & 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.

**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.

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**MARLOW EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
MARLOW EDUCATION TRUST**

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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.

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

**RESPONSIBILITIES OF TRUSTEES**

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

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.

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**MARLOW EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
MARLOW EDUCATION TRUST**

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**AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

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

**USE OF OUR REPORT**

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

BIANCA SILVA BA ACA DChA (Senior Statutory Auditor)

for and on behalf of

**MHA MacIntyre Hudson**

Chartered Accountants  
Statutory Auditors

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

Date: 19 December 2018

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**MARLOW EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

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In accordance with the terms of our engagement letter dated 13 July 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Marlow Education Trust during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Marlow Education Trust 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 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 and the ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF MARLOW EDUCATION TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Marlow Education Trust's funding agreement with the Secretary of State for Education dated 28 September 2016, and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**APPROACH**

We conducted our engagement in accordance with the Academies Accounts Direction 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

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**MARLOW EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO MARLOW EDUCATION TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)**

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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 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

**MHA MacIntyre Hudson**

Chartered Accountants  
Statutory Auditors

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

Date: 19 December 2018

**MARLOW EDUCATION TRUST**  
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	As restated Total funds 2017 £
<b>INCOME FROM:</b>						
Donations & capital grants:						
Transferred from local authority	2	-	-	-	-	2,462,840
Other donations and capital grants	2	-	59,709	236,433	296,142	120,907
Charitable activities:	5					
Academy's educational operations		-	6,929,502	-	6,929,502	6,872,141
Teaching School		-	62,740	-	62,740	60,000
Other trading activities	3	50,636	216,875	-	267,511	232,191
Investments	4	1,293	-	-	1,293	1,447
<b>TOTAL INCOME</b>		<b>51,929</b>	<b>7,268,826</b>	<b>236,433</b>	<b>7,557,188</b>	<b>9,749,526</b>
<b>EXPENDITURE ON:</b>						
Raising funds:						
Voluntary income	6	-	-	-	-	11,911
Charitable activities:						
Academy's educational operations	8	11,243	7,492,441	314,596	7,818,280	7,436,395
Teaching School	8	-	75,542	-	75,542	67,645
<b>TOTAL EXPENDITURE</b>	6	<b>11,243</b>	<b>7,567,983</b>	<b>314,596</b>	<b>7,893,822</b>	<b>7,515,951</b>
<b>NET INCOME / (EXPENDITURE) BEFORE TRANSFERS</b>		<b>40,686</b>	<b>(299,157)</b>	<b>(78,163)</b>	<b>(336,634)</b>	<b>2,233,575</b>
Transfers between Funds	18	(158,147)	86,395	71,752	-	-
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>		<b>(117,461)</b>	<b>(212,762)</b>	<b>(6,411)</b>	<b>(336,634)</b>	<b>2,233,575</b>
Actuarial gains on defined benefit pension schemes	23	-	551,000	-	551,000	447,000
<b>NET MOVEMENT IN FUNDS</b>		<b>(117,461)</b>	<b>338,238</b>	<b>(6,411)</b>	<b>214,366</b>	<b>2,680,575</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward	18	350,185	(1,913,732)	18,316,727	16,753,180	14,072,605
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>232,724</b>	<b>(1,575,494)</b>	<b>18,310,316</b>	<b>16,967,546</b>	<b>16,753,180</b>

The notes on pages 27 to 54 form part of these financial statements.

**MARLOW EDUCATION TRUST**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 07625556**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2018**

	Note	£	2018 £	As restated 2017 £
<b>FIXED ASSETS</b>				
Tangible assets	13		<b>18,208,864</b>	18,312,081
<b>CURRENT ASSETS</b>				
Debtors	14	<b>513,211</b>		611,917
Cash at bank and in hand	21	<b>1,397,396</b>		1,178,452
			<u><b>1,910,607</b></u>	<u>1,790,369</u>
<b>CREDITORS:</b> amounts falling due within one year	15	<b>(901,103)</b>		(880,320)
<b>NET CURRENT ASSETS</b>			<u><b>1,009,504</b></u>	<u>910,049</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u><b>19,218,368</b></u>	<u>19,222,130</u>
<b>CREDITORS:</b> amounts falling due after more than one year	16		<u><b>(7,822)</b></u>	<u>(10,950)</u>
<b>NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES</b>			<u><b>19,210,546</b></u>	<u>19,211,180</u>
Defined benefit pension scheme liability	23		<u><b>(2,243,000)</b></u>	<u>(2,458,000)</u>
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITIES</b>			<u><u><b>16,967,546</b></u></u>	<u><u>16,753,180</u></u>
<b>FUNDS OF THE ACADEMY</b>				
Restricted income funds:				
Restricted income funds	18	<b>667,506</b>		544,268
Restricted fixed asset funds	18	<b>18,310,316</b>		18,316,727
Restricted income funds excluding pension liability		<b>18,977,822</b>		18,860,995
Pension reserve	18	<b>(2,243,000)</b>		(2,458,000)
Total restricted income funds			<u><b>16,734,822</b></u>	<u>16,402,995</u>
Unrestricted income funds	18		<u><b>232,724</b></u>	<u>350,185</u>
<b>TOTAL FUNDS</b>			<u><u><b>16,967,546</b></u></u>	<u><u>16,753,180</u></u>

The financial statements on pages 24 to 54 were approved by the Trustees, and authorised for issue, on 10 December 2018 and are signed on their behalf, by:

.....  
**I Duguid**

Chair of Trustees

The notes on pages 27 to 54 form part of these financial statements.

**MARLOW EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	2018 £	As restated 2017 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	20	<b>195,725</b>	650,381
<b>Cash flows from investing activities:</b>			
Returns on investments and servicing of finance		1,293	1,447
Purchase of tangible fixed assets		(211,379)	(509,576)
Capital grants from DfE Group		213,433	38,820
Capital funding received from sponsors and others		23,000	9,757
Funds transferred on conversion		-	70,840
<b>Net cash provided by/(used in) investing activities</b>		<b>26,347</b>	(388,712)
<b>Cash flows from financing activities:</b>			
Repayments of borrowings		(3,128)	-
<b>Net cash used in financing activities</b>		<b>(3,128)</b>	-
<b>Change in cash and cash equivalents in the year</b>		<b>218,944</b>	261,669
Cash and cash equivalents brought forward		1,178,452	916,783
<b>Cash and cash equivalents carried forward</b>	21	<b>1,397,396</b>	1,178,452

The notes on pages 27 to 54 form part of these financial statements.

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

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**1. ACCOUNTING POLICIES**

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

**1.1 Basis of preparation of financial statements**

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

**1.2 Fund accounting**

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

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

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

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

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

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**1. ACCOUNTING POLICIES (continued)**

**1.3 Income**

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

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

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

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

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 2018**

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**1. ACCOUNTING POLICIES (continued)**

**1.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. 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 2018**

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**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 freehold and 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:

Freehold property	-	2% per annum on cost (buildings only)
Long leasehold property	-	2% per annum on cost (buildings only)
Equipment	-	15% per annum on cost
Motor vehicles	-	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 2018**

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**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 14. 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 cost as detailed in notes 15 and 16. 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 23, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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**1. ACCOUNTING POLICIES (continued)**

**1.13 Pensions (continued)**

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities 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 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 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

*Critical areas of judgment:*

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

**MARLOW EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

**2. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	As restated Total funds 2017 £
Transferred from local authority	-	-	-	-	2,462,840
Donations	-	59,709	-	59,709	82,087
DfE/ESFA capital grants	-	-	213,433	213,433	38,820
Other grants	-	-	23,000	23,000	-
Subtotal	-	59,709	236,433	296,142	120,907
	-	59,709	236,433	296,142	2,583,747
Total 2017	-	(59,830)	2,643,577	2,583,747	

**3. OTHER TRADING ACTIVITIES**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Hire of facilities	50,430	-	50,430	52,816
School fund income	-	154,815	154,815	166,710
Other income	206	62,060	62,266	12,665
	50,636	216,875	267,511	232,191
Total 2017	211,258	20,933	232,191	

**4. INVESTMENT INCOME**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest receivable	1,293	-	1,293	1,447
Total 2017	1,447	-	1,447	

**MARLOW EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

**5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	5,338,948	5,338,948	5,219,494
Start up grants	-	25,000	25,000	50,000
Other DfE/ESFA revenue grants	-	73,979	73,979	183,881
Pupil premium	-	123,654	123,654	113,630
Teaching School	-	62,740	62,740	60,000
	-	5,624,321	5,624,321	5,627,005
<b>Other government grants</b>				
Other local authority revenue grants	-	29,183	29,183	58,774
Other government grants	-	89,246	89,246	78,246
	-	118,429	118,429	137,020
<b>Other funding</b>				
Trip income	-	1,085,760	1,085,760	937,645
Other income	-	163,732	163,732	230,471
	-	1,249,492	1,249,492	1,168,116
	-	6,992,242	6,992,242	6,932,141
Total 2017	-	6,932,141	6,932,141	

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

**MARLOW EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

**6. EXPENDITURE**

	<b>Staff costs</b>	<b>Premises</b>	<b>Other costs</b>	<b>Total</b>	<b>As restated</b>
	<b>2018</b>	<b>2018</b>	<b>2018</b>	<b>2018</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>2017</b>
					<b>£</b>
Expenditure on raising voluntary income					
Direct costs	-	-	-	-	-
Support costs	-	-	-	-	11,911
Academy's educational operations:					
Direct costs	<b>4,147,757</b>	-	<b>1,729,078</b>	<b>5,876,835</b>	5,632,522
Support costs	<b>892,981</b>	<b>663,611</b>	<b>384,853</b>	<b>1,941,445</b>	1,803,873
Teaching School	<b>65,400</b>	-	<b>10,142</b>	<b>75,542</b>	67,645
	<b>5,106,138</b>	<b>663,611</b>	<b>2,124,073</b>	<b>7,893,822</b>	7,515,951
Total 2017	4,769,187	785,926	1,960,838	7,515,951	

In 2018, of the total expenditure of £7,893,822 (2017: £7,515,951) £11,243 (2017: £15,579) was to unrestricted funds, £7,567,983 (2017: £7,184,875) was to restricted funds and £314,596 (2017: £315,497) was to restricted fixed asset funds.

**7. EXPENDITURE - ANALYSIS OF SPECIFIC EXPENSES**

Included within expenditure are the following transactions:

	<b>Total</b>	<b>Individual items above £5,000</b>
	<b>£</b>	<b>Amount</b>
		<b>£</b>
Gifts made by the trust	<b>340</b>	-

**MARLOW EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

**8. CHARITABLE ACTIVITIES**

	<b>Total funds 2018 £</b>	As restated Total funds 2017 £
<b>DIRECT COSTS - EDUCATIONAL OPERATIONS</b>		
Wages and salaries	4,147,757	3,976,818
Depreciation	97,874	105,167
Technology costs	114,230	148,565
Educational supplies	166,629	123,807
Staff expenses and other costs	79,316	122,875
Examination fees	152,747	129,227
School trips expenditure	1,074,655	942,485
Educational consultancy	30,651	57,197
Other direct costs	12,976	26,381
	<u>5,876,835</u>	<u>5,632,522</u>
<b>SUPPORT COSTS - EDUCATIONAL OPERATIONS</b>		
Wages and salaries	892,981	729,000
Depreciation	216,722	210,330
Pension finance cost	60,000	57,000
Catering supplies	33,328	22,790
Maintenance of premises and equipment	198,336	274,351
Cleaning	129,079	112,042
Energy	90,939	91,710
Transport and security costs	17,002	24,528
Rates	92,948	61,648
Legal and professional costs	56,355	75,272
Non staff related insurance	52,533	60,473
Other support costs	70,232	67,897
Bank charges	147	32
Governance costs	30,843	16,800
	<u>1,941,445</u>	<u>1,803,873</u>
	<u>7,818,280</u>	<u>7,436,395</u>
<b>OTHER ACTIVITIES</b>		
Teaching school	75,542	67,645
	<u>7,893,822</u>	<u>7,504,040</u>

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**MARLOW EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

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**9. NET RESOURCES EXPENDED/(INCOMING RESOURCES)**

This is stated after charging:

	<b>2018</b>	As restated
	<b>£</b>	2017
		<b>£</b>
Depreciation of tangible fixed assets:		
- owned by the charity	<b>314,596</b>	315,497
Auditors' remuneration - audit	<b>12,000</b>	12,000
Auditors' remuneration - other services	<b>19,580</b>	4,800
Operating lease rentals	<b>13,187</b>	14,451
	<b>=====</b>	<b>=====</b>

**MARLOW EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

**10. STAFF COSTS**

**a. Staff costs**

Staff costs during the year were as follows:

	2018 £	2017 £
Wages and salaries	3,776,110	3,607,909
Social security costs	362,441	341,821
Pension costs	950,030	802,056
	<u>5,088,581</u>	<u>4,751,786</u>
Agency staff costs	17,557	16,877
Staff restructuring costs	-	524
	<u><u>5,106,138</u></u>	<u><u>4,769,187</u></u>

Staff restructuring costs comprise:

	2018 £	2017 £
Severance payments	-	524
	<u><u>-</u></u>	<u><u>524</u></u>

**b. Non-statutory/non-contractual staff severance payments**

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2017: an individual payment of £524).

**c. Staff numbers**

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

	2018 No.	2017 No.
Teachers	69	73
Administration and support	73	76
Management	8	4
	<u>150</u>	<u>153</u>
	<u><u>150</u></u>	<u><u>153</u></u>

**d. Higher paid staff**

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

	2018 No.	2017 No.
In the band £70,001 - £80,000	0	1
In the band £80,001 - £90,000	2	0
In the band £100,001 - £110,000	0	1

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**MARLOW EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

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**10. STAFF COSTS (continued)**

These two employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2018, pension contributions for these staff amounted to £26,863 (2017 - £29,438).

**e. Key management personnel**

The key management personnel of the Academy Trust comprises the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employers national insurance) received by key management personnel for their services to the Academy Trust was £363,268 (2017 - £307,308).

**11. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES**

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

		<b>2018</b>	2017
		<b>£</b>	£
P Holding (Headteacher)	Remuneration	<b>80,000-85,000</b>	105,000-110,000
	Pension contributions paid	<b>10,000-15,000</b>	15,000-20,000

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

**12. 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 £5,000,000 on any one claim and the cost for the year ended 31 August 2018 was £219 (2017 - £1,052).

**MARLOW EDUCATION TRUST**  
(A Company Limited by Guarantee)

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

**13. TANGIBLE FIXED ASSETS**

	Freehold property £	Long leasehold property £	Motor vehicles £	Equipment £	Computer equipment £	Total £
<b>Cost</b>						
At 1 September 2017 (as previously stated)	-	16,309,860	15,610	505,813	241,777	17,073,060
Prior year adjustment	2,595,000	-	-	-	-	2,595,000
At 1 September 2017 (as restated)	2,595,000	16,309,860	15,610	505,813	241,777	19,668,060
Additions	109,696	56,929	-	16,082	28,672	211,379
At 31 August 2018	2,704,696	16,366,789	15,610	521,895	270,449	19,879,439
<b>Depreciation</b>						
At 1 September 2017 (as previously stated)	-	895,898	14,635	295,407	121,522	1,327,462
Prior year adjustment	28,517	-	-	-	-	28,517
At 1 September 2017 (as restated)	28,517	895,898	14,635	295,407	121,522	1,355,979
Charge for the year	34,220	186,806	975	58,349	34,246	314,596
At 31 August 2018	62,737	1,082,704	15,610	353,756	155,768	1,670,575
<b>Net book value</b>						
At 31 August 2018	2,641,959	15,284,085	-	168,139	114,681	18,208,864
At 31 August 2017 (as restated)	2,566,483	15,413,962	975	210,406	120,255	18,312,081

Included in long leasehold property is land at valuation of £7,057,500 (2017: £7,057,500) which is not depreciated.

Included in freehold property is land at valuation of £884,000 (2017: £Nil) which is not depreciated.

Freehold land and buildings transferred on conversion of Beechview School to the Multi Academy Trust on 1 October 2016 were not included in the prior year accounts as no valuation was provided at the date of transfer. A valuation was provided by the ESFA during 2018 increasing the net book value of freehold land and buildings by £2,566,483 at 31 August 2017.

The additions to freehold and long leasehold property comprise sixth form expansion project, fencing and fire door replacement work at Sir William Borlase School as well as a fire alarm system and front office renovation at Beechview Academy.

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**MARLOW EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

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**14. DEBTORS**

	2018 £	2017 £
Trade debtors	11,294	32,007
Other debtors	69,087	92,938
Prepayments and accrued income	432,830	486,972
	<u>513,211</u>	<u>611,917</u>

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

**15. CREDITORS: Amounts falling due within one year**

	2018 £	2017 £
Trade creditors	199,688	133,870
Other taxation and social security	174,776	168,823
Other creditors	40,524	33,448
Accruals and deferred income	486,115	544,179
	<u>901,103</u>	<u>880,320</u>

  

	2018 £	2017 £
<b>Deferred income</b>		
Deferred income at 1 September 2017	469,782	398,716
Resources deferred during the year	448,250	469,782
Amounts released from previous years	(469,782)	(398,716)
Deferred income at 31 August 2018	<u>448,250</u>	<u>469,782</u>

At the Balance Sheet date, deferred income of £448,250 relates to funds received in advance for school trips after August 2018, SGO grant and rates grant received relating to the next academic year.

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

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**MARLOW EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

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**16. CREDITORS: Amounts falling due after more than one year**

	<b>2018</b>	2017
	<b>£</b>	£
Other creditors	<b>7,822</b>	10,950

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.

**17. PRIOR YEAR ADJUSTMENT**

Freehold land and buildings transferred on conversion of Beechview School to the Multi Academy Trust on 1 October 2016 were not included in the prior year accounts as no valuation was provided at the date of transfer. A valuation was provided by the ESFA during 2018 and a prior year adjustment has been made to increase the net book value of land and buildings and restricted fixed asset funds by £2,566,483 at 31 August 2017.

**MARLOW EDUCATION TRUST**  
(A Company Limited by Guarantee)

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

**18. STATEMENT OF FUNDS**

	Balance at 1 September 2017 As restated £	Income £	Resources expended £	Transfers in/(out) £	Gains/ (losses) £	Balance at 31 August 2018 £
<b>Unrestricted funds</b>						
Unrestricted funds	192,038	51,929	(11,243)	-	-	232,724
School fund	158,147	-	-	(158,147)	-	-
	<u>350,185</u>	<u>51,929</u>	<u>(11,243)</u>	<u>(158,147)</u>	<u>-</u>	<u>232,724</u>
<b>Restricted funds</b>						
General Annual Grant (GAG)	94,392	5,338,948	(5,436,087)	2,747	-	-
Other DfE/ESFA grants	101,644	73,979	(83,379)	-	-	92,244
DfE/ESFA start up grants	-	25,000	(25,000)	-	-	-
Pupil premium	-	123,654	(123,654)	-	-	-
Funds transferred from local authority school	129,566	-	-	(80,381)	-	49,185
Other local authority grants	-	29,183	(29,183)	-	-	-
School fund	197,750	156,328	(31)	158,147	-	512,194
Other grants	13,996	89,246	(89,359)	-	-	13,883
Teaching School	6,920	62,740	(75,542)	5,882	-	-
Trip income	-	1,085,760	(1,085,760)	-	-	-
Other income	-	283,988	(283,988)	-	-	-
Pension reserve	(2,458,000)	-	(336,000)	-	551,000	(2,243,000)
	<u>(1,913,732)</u>	<u>7,268,826</u>	<u>(7,567,983)</u>	<u>86,395</u>	<u>551,000</u>	<u>(1,575,494)</u>
<b>Restricted fixed asset funds</b>						
Fixed asset fund	18,312,081	-	(314,596)	211,379	-	18,208,864
Devolved formula capital	-	30,230	-	(30,230)	-	-
Capital improvement fund	4,646	183,203	-	(109,397)	-	78,452
Donations	-	23,000	-	-	-	23,000
	<u>18,316,727</u>	<u>236,433</u>	<u>(314,596)</u>	<u>71,752</u>	<u>-</u>	<u>18,310,316</u>
Total restricted funds	<u>16,402,995</u>	<u>7,505,259</u>	<u>(7,882,579)</u>	<u>158,147</u>	<u>551,000</u>	<u>16,734,822</u>
Total of funds	<u>16,753,180</u>	<u>7,557,188</u>	<u>(7,893,822)</u>	<u>-</u>	<u>551,000</u>	<u>16,967,546</u>

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

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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 Academy that has been provided to the Academy via the Education and Skills Funding Agency and the Department for Education. The GAG fund has been set up because the GAG must be used for the normal running costs of the Academy.

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 2018.

**MARLOW EDUCATION TRUST**  
(A Company Limited by Guarantee)

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

**18. STATEMENT OF FUNDS (continued)**

**ANALYSIS OF ACADEMIES BY FUND BALANCE**

Fund balances at 31 August 2018 were allocated as follows:

	<b>Total 2018 £</b>	As restated Total 2017 £
Sir Wiliam Borlase's Grammar School	<b>705,762</b>	706,027
Beechview Academy	<b>116,068</b>	100,626
MAT capacity grant	<b>78,400</b>	87,800
	<b>900,230</b>	894,453
Total before fixed asset fund and pension reserve	<b>900,230</b>	894,453
Restricted fixed asset fund	<b>18,310,316</b>	18,316,727
Pension reserve	<b>(2,243,000)</b>	(2,458,000)
Total	<b>16,967,546</b>	16,753,180

**ANALYSIS OF ACADEMIES BY COST**

Expenditure incurred by each academy during the year was as follows:

	<b>Teaching and educational support staff costs £</b>	<b>Other support staff costs £</b>	<b>Educational supplies £</b>	<b>Other costs excluding depreciation £</b>	<b>Total 2018 £</b>	<b>Total 2017 £</b>
Sir Wiliam Borlase's Grammar School	<b>3,526,143</b>	<b>698,030</b>	<b>1,575,719</b>	<b>664,229</b>	<b>6,464,121</b>	6,310,945
Beechview Academy	<b>621,614</b>	<b>194,951</b>	<b>55,485</b>	<b>158,113</b>	<b>1,030,163</b>	809,664
MAT capacity grant	-	-	-	<b>9,400</b>	<b>9,400</b>	12,200
Teaching school	-	-	<b>75,542</b>	-	<b>75,542</b>	67,645
	<b>4,147,757</b>	<b>892,981</b>	<b>1,706,746</b>	<b>831,742</b>	<b>7,579,226</b>	7,200,454

**MARLOW EDUCATION TRUST**  
(A Company Limited by Guarantee)

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

**18. STATEMENT OF FUNDS (continued)**

**STATEMENT OF FUNDS - PRIOR YEAR - as restated**

	Balance at 1 September 2016 £	Income £	Resources expended £	Transfers in/(out) £	Gains/ (losses) £	Balance at 31 August 2017 As restated £
<b>Unrestricted funds</b>						
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>
<b>Restricted funds</b>						
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>
<b>Restricted fixed asset funds</b>						
Fixed asset fund	15,523,002	2,595,000	(315,497)	509,576	-	18,312,081
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>2,643,577</u>	<u>(315,497)</u>	<u>18,390</u>	<u>-</u>	<u>18,316,727</u>
Total restricted funds	<u>13,919,546</u>	<u>9,668,981</u>	<u>(7,632,532)</u>	<u>-</u>	<u>447,000</u>	<u>16,402,995</u>
Total of funds	<u>14,072,605</u>	<u>9,881,686</u>	<u>(7,648,111)</u>	<u>-</u>	<u>447,000</u>	<u>16,753,180</u>

**MARLOW EDUCATION TRUST**  
(A Company Limited by Guarantee)

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

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

	Balance at 1 September 2016 £	Income £	Resources expended £	Transfers in/(out) £	Gains/ (losses) £	Balance at 31 August 2018 As restated £
<b>Unrestricted funds</b>						
Unrestricted funds	153,059	106,192	(26,527)	-	-	232,724
School fund	-	158,442	(295)	(158,147)	-	-
	<u>153,059</u>	<u>264,634</u>	<u>(26,822)</u>	<u>(158,147)</u>	<u>-</u>	<u>232,724</u>
<b>Restricted funds</b>						
General Annual Grant (GAG)	142,735	10,558,442	(10,685,534)	(15,643)	-	-
Other DfE/ESFA grants	18,166	257,860	(183,782)	-	-	92,244
DfE/ESFA start up grants	-	75,000	(75,000)	-	-	-
Pupil premium	-	237,284	(237,284)	-	-	-
Funds transferred from local authority school	58,726	-	(132,160)	122,619	-	49,185
Other local authority grants	-	87,957	(87,957)	-	-	-
School fund	201,098	164,596	(11,647)	158,147	-	512,194
Other grants	-	167,492	(153,609)	-	-	13,883
Teaching School	14,564	122,740	(143,186)	5,882	-	-
Trip income	-	2,023,405	(2,023,405)	-	-	-
Other income	-	599,454	(599,454)	-	-	-
Pension reserve	(2,486,000)	-	(552,000)	(203,000)	998,000	(2,243,000)
	<u>(2,050,711)</u>	<u>14,294,230</u>	<u>(14,885,018)</u>	<u>68,005</u>	<u>998,000</u>	<u>(1,575,494)</u>
<b>Restricted fixed asset funds</b>						
Fixed asset fund	15,523,002	2,595,000	(630,093)	720,955	-	18,208,864
Devolved formula capital	-	60,072	-	(60,072)	-	-
Capital improvement fund	274,485	192,181	-	(388,214)	-	78,452
Donated assets	172,770	9,757	-	(182,527)	-	-
Donations	-	23,000	-	-	-	23,000
	<u>15,970,257</u>	<u>2,880,010</u>	<u>(630,093)</u>	<u>90,142</u>	<u>-</u>	<u>18,310,316</u>
	<u>13,919,546</u>	<u>17,174,240</u>	<u>(15,515,111)</u>	<u>158,147</u>	<u>998,000</u>	<u>16,734,822</u>
<b>Total of funds</b>	<u><u>14,072,605</u></u>	<u><u>17,438,874</u></u>	<u><u>(15,541,933)</u></u>	<u><u>-</u></u>	<u><u>998,000</u></u>	<u><u>16,967,546</u></u>

**MARLOW EDUCATION TRUST**  
(A Company Limited by Guarantee)

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

**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	18,208,864	18,208,864
Current assets	232,724	1,576,431	101,452	1,910,607
Creditors due within one year	-	(901,103)	-	(901,103)
Creditors due in more than one year	-	(7,822)	-	(7,822)
Pension scheme liabilities	-	(2,243,000)	-	(2,243,000)
	<u>232,724</u>	<u>(1,575,494)</u>	<u>18,310,316</u>	<u>16,967,546</u>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR - as restated**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	18,312,081	18,312,081
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>18,316,727</u>	<u>16,753,180</u>

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

	2018 £	As restated 2017 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(336,634)	2,233,575
<b>Adjustment for:</b>		
Depreciation charges	314,596	315,497
Dividends, interest and rents from investments	(1,293)	(1,447)
Decrease in debtors	85,592	468,261
Increase/(decrease) in creditors	33,897	(70,088)
Capital grants from DfE and other capital income	(236,433)	(48,577)
Pension FRS 102 adjustments	336,000	216,000
Pension transferred on conversion	-	203,000
Assets and liabilities on conversion	-	(2,665,840)
<b>Net cash provided by operating activities</b>	<u>195,725</u>	<u>650,381</u>

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**MARLOW EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

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**21. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<b>2018</b>	2017
	<b>£</b>	£
Cash in hand	<b>1,397,396</b>	1,178,452
Total	<b>1,397,396</b>	1,178,452

**22. CAPITAL COMMITMENTS**

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

	<b>2018</b>	2017
	<b>£</b>	£
Contracted for but not provided in these financial statements	<b>78,452</b>	-

**23. 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 £81,874 were payable to the schemes at 31 August 2018 (2017 - £90,475) and are included within creditors.

**Teachers' Pension Scheme**

**Introduction**

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

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

**Valuation of the Teachers' Pension Scheme**

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

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

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**23. PENSION COMMITMENTS (continued)**

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge.
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The employer's pension costs paid to TPS in the period amounted to £417,970 (2017 - £399,596).

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £328,000 (2017 - £280,000), of which employer's contributions totalled £259,000 (2017 - £221,000) and employees' contributions totalled £69,000 (2017 - £59,000). The agreed contribution rates for future years are 22.8% for employers and between 5.5% and 12.5% for employees.

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

Principal actuarial assumptions:

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

**MARLOW EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

**23. PENSION COMMITMENTS (continued)**

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

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

<b>Sensitivity analysis - present value of obligation</b>	<b>At 31 August 2018</b>	At 31 August 2017
	£	£
Discount rate +0.1%	<b>4,912,000</b>	4,786,000
Discount rate -0.1%	<b>5,146,000</b>	5,015,000
Mortality assumption - 1 year increase	<b>5,205,000</b>	5,063,000
Mortality assumption - 1 year decrease	<b>4,858,000</b>	4,741,000
CPI rate +0.1%	<b>5,138,000</b>	4,999,000
CPI rate -0.1%	<b>4,921,000</b>	4,802,000

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

	<b>Fair value at 31 August 2018</b>	Fair value at 31 August 2017
	£	£
Equities	<b>1,462,000</b>	1,364,000
Gilts	<b>328,000</b>	237,000
Other bonds	<b>342,000</b>	318,000
Property	<b>204,000</b>	180,000
Cash and other liquid assets	<b>167,000</b>	84,000
Alternative assets and other	<b>282,000</b>	258,000
Total market value of assets	<b>2,785,000</b>	2,441,000

The actual return on scheme assets was £86,000 (2017 - £256,000).

**MARLOW EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

**23. PENSION COMMITMENTS (continued)**

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

	<b>2018</b>	2017
	£	£
Current service cost	<b>(533,000)</b>	(379,000)
Interest cost	<b>(60,000)</b>	(57,000)
Administrative expenses	<b>(2,000)</b>	(1,000)
	<hr/>	<hr/>
Total	<b>(595,000)</b>	(437,000)
	<hr/> <hr/>	<hr/> <hr/>

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

	<b>2018</b>	2017
	£	£
Opening defined benefit obligation	<b>4,899,000</b>	4,215,000
Upon conversion	-	388,000
Current service cost	<b>533,000</b>	379,000
Interest cost	<b>127,000</b>	102,000
Employee contributions	<b>69,000</b>	59,000
Actuarial gains	<b>(532,000)</b>	(226,000)
Benefits paid	<b>(68,000)</b>	(18,000)
	<hr/>	<hr/>
Closing defined benefit obligation	<b>5,028,000</b>	4,899,000
	<hr/> <hr/>	<hr/> <hr/>

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

	<b>2018</b>	2017
	£	£
Opening fair value of scheme assets	<b>2,441,000</b>	1,729,000
Upon conversion	-	185,000
Interest income	<b>67,000</b>	45,000
Actuarial losses	<b>19,000</b>	221,000
Employer contributions	<b>259,000</b>	221,000
Employee contributions	<b>69,000</b>	59,000
Benefits paid	<b>(68,000)</b>	(18,000)
Administration expenses	<b>(2,000)</b>	(1,000)
	<hr/>	<hr/>
Closing fair value of scheme assets	<b>2,785,000</b>	2,441,000
	<hr/> <hr/>	<hr/> <hr/>

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**MARLOW EDUCATION TRUST**  
**(A Company Limited by Guarantee)**

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

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**PENSION COMMITMENTS (continued)**

The amount shown in the Statement of Financial Activities is:

	<b>2018</b>	2017
	£	£
Changes in financial assumptions	<b>532,000</b>	226,000
Return on plan assets	<b>19,000</b>	221,000
	<hr/>	<hr/>
Actuarial gains/(losses) on defined benefit pension schemes	<b>551,000</b>	447,000
	<hr/> <hr/>	<hr/> <hr/>

The amount recognised in the Balance Sheet was as follows:

	<b>2018</b>	2017
	£	£
Present value of defined benefit obligation	<b>(5,028,000)</b>	(4,899,000)
Fair value of scheme assets	<b>2,785,000</b>	2,441,000
	<hr/>	<hr/>
Defined benefit pension scheme liability	<b>(2,243,000)</b>	(2,458,000)
	<hr/> <hr/>	<hr/> <hr/>

**24. OPERATING LEASE COMMITMENTS**

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

	<b>2018</b>	2017
	£	£
<b>Amounts payable:</b>		
Within 1 year	<b>12,979</b>	13,608
Between 1 and 5 years	<b>15,730</b>	28,717
	<hr/>	<hr/>
Total	<b>28,709</b>	42,325
	<hr/> <hr/>	<hr/> <hr/>

**25. RELATED PARTY TRANSACTIONS**

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

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

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**MARLOW EDUCATION TRUST**  
(A Company Limited by Guarantee)

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

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**26. TEACHING SCHOOL TRADING ACCOUNT**

	2018 £	2018 £	2017 £	2017 £
<b>INCOME</b>				
<b>DIRECT INCOME</b>				
Teaching school grant	52,000		60,000	
<b>OTHER INCOME</b>				
Teaching school income	10,740		-	
	<hr/>		<hr/>	
<b>TOTAL INCOME</b>		62,740		60,000
		<hr/>		<hr/>
<b>EXPENDITURE</b>				
<b>DIRECT EXPENDITURE</b>				
Direct staff costs	65,400		63,369	
Other direct costs	4,890		-	
	<hr/>		<hr/>	
<b>TOTAL DIRECT EXPENDITURE</b>	70,290		63,369	
<b>OTHER EXPENDITURE</b>				
Other support costs	5,252		4,276	
	<hr/>		<hr/>	
<b>TOTAL EXPENDITURE</b>		75,542		67,645
		<hr/>		<hr/>
<b>TRANSFERS BETWEEN FUNDS</b>				
<b>EXCLUDING DEPRECIATION</b>		12,802		7,645
		<hr/>		<hr/>
<b>SURPLUS FROM ALL SOURCES</b>		-		-
		<hr/>		<hr/>

**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.