

REGISTRAR OF COMPANIES

Sunbury Manor School

Annual Report and Financial Statements

31 August 2019

Company Limited by Guarantee
Registration Number
07545019 (England and Wales)

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Contents

Reports

| | |
|---|----|
| Reference and administrative information | 1 |
| Governors' report | 3 |
| Governance statement | 18 |
| Statement of regularity, propriety and compliance | 22 |
| Statement of governors' responsibilities | 23 |
| Independent auditor's report | 24 |
| Independent reporting accountant's report | 28 |

Financial statements

| | |
|-----------------------------------|----|
| Statement of financial activities | 30 |
| Balance sheet | 31 |
| Statement of cash flows | 32 |
| Principal accounting policies | 33 |
| Notes to the financial statements | 38 |

Reference and administrative information

| | |
|------------------|---|
| Governors | L Hirst ∅∞△ (Resigned 2 nd July 2019) C Burch ∞△ A Cottle ∅ (Staff Governor) A L Duncan ∅∞△ (Headteacher) D Evans ∅ (Chair of Governors – Appointed 9 th July 2019) C Fagan △ (Resigned 31 st August 2019) S Flint ∅△ E Flippance ∅△ (Re-appointed 12 February 2019) D Johnson ∞ M Lamey ∅∞ (Vice Chair) C Webber ∅ M McCartney ∅ J Cloake △ (Appointed 9 th July 2019) Committee membership: ∅ Resources and Audit ∞ Self-Evaluation and Improvement △ Student Welfare, Safeguarding & Community |
|------------------|---|

| | |
|----------------|---|
| Members | All governors, with the exception of staff governors, are members of the Charitable Company |
|----------------|---|

| | |
|--------------------------|------------|
| Company Secretary | C Crichard |
|--------------------------|------------|

| | |
|------------------------|---|
| Leadership Team | A L Duncan (Headteacher) A Cottle (Deputy Headteacher) J Tweed (Deputy Headteacher) G Eynon (Assistant Headteacher) M Wood (Deputy Headteacher) C Johnston (Assistant Headteacher) M Neal (Assistant Headteacher) |
|------------------------|---|

| | |
|---------------------------|--|
| Registered address | Sunbury Manor School Nursery Road Sunbury on Thames Middlesex TW16 6LF |
|---------------------------|--|

| | |
|------------------------------------|------------------------------|
| Company registration number | 07545019 (England and Wales) |
|------------------------------------|------------------------------|

| | |
|----------------|--|
| Auditor | Buzzacott LLP 130 Wood Street London EC2V 6DL |
|----------------|--|

Reference and administrative information

Bankers

HSBC Bank plc
12A North Street
Guildford
Surrey
GU1 4AF

Solicitors

Stone King LLP
16 St John's Lane
London
EC1M 4BS

Surrey Legal Services
County Hall
Kingston upon Thames
Surrey KT1 2DW

Governors' report Year to 31 August 2019

The governors of Sunbury Manor School ('the School') present their statutory report together with the financial statements of the charitable company for the year to 31 August 2019. The annual report serves the purposes of both a governors' report and a directors' report under company law.

The report has been prepared in accordance with Part VI of the Charities Act 2011.

The financial statements have been prepared in accordance with the accounting policies set out on pages 33 to 37 of the attached financial statements and comply with the School's memorandum and articles of association, applicable laws and 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 United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2015 or later.

STRUCTURE, GOVERNANCE AND MANAGEMENT

School Context

Sunbury Manor, a specialist 11-16 Humanities school, became a type two academy on 1 April 2011. During the accounting year ended 31 August 2019, Sunbury Manor had 1,062 students on its roll (January 2019 census return).

In 2018/19 the School's population included the following:

- ◆ 17.23 % of students recognised as SEN Support (K);
- ◆ 2.25 % of students with statements or Education Health Care Plan;
- ◆ 7.53 % of students with English as an additional language;
- ◆ 9.23 % of students on free school meals;
- ◆ 16.38 % of students from ethnic minority groups;
- ◆ 21.45 % of the School's population from the London Borough of Hounslow, making it very different to a typical Surrey school;
- ◆ Remainder of the population drawn from wards with very low levels of adult education training and skills; and
- ◆ Significant number of students with reading abilities below their chronological age for Reading Comprehension on entry to the School (11.2%)

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Staffing

The School continues to be fully staffed with qualified subject specialist in all subject areas.

Despite significant staffing difficulties in local secondary schools, Sunbury Manor has managed to recruit and retain staff and is pleased to report that all teaching staff are fully qualified subject specialists. This has been a particular challenge as the School is located very close to several London boroughs that offer an enhanced London salary weighting. In an attempt to attract newly qualified staff, a slightly enhanced starting salary was offered in September 2016 and this has continued. The School attempts to limit the use of recruitment and retention allowances however it has had to balance this with the need to ensure that it remains fully staffed with the best possible teaching team. There is a high level of staff stability and satisfaction, including a number of staff that have returned to Sunbury Manor or send their own children to the School. The governing body work closely with the staff to provide support, challenge and continued professional development opportunities.

In view of the ever challenging funding situation, the School continues to review its teaching staff and support staff structure however with the increasing % of students with recognised SEN support and deprivation factors the School is needing to increase staff to ensure these students access the curriculum fully, particularly Special Educational Needs support staff.

There was very little change in the staffing profile during the year. Those staff that had been on maternity leave returned to full-time and or reduced hours employment. The school retained the majority of staff proving that the care and well-being of staff remains a priority.

Constitution

The School 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 School.

The governors act as the trustees for the charitable activities of the School and are also the directors of the charitable company for the purposes of company law. With the exception of staff governors, all governors are appointed as members of the charitable company. The charitable company is known as Sunbury Manor School.

Details of the School's Leadership Team and the governors who served throughout the year are included on page 1.

Members' liability

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

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Governors' indemnities

At the start of every academic year, all governors are required to complete and sign a Declaration of Business Interests Form which is held by the Company Secretary. In addition at the start of every full governing body and committee meeting, governors are asked to declare any conflict of business interests. Where an interest is declared, the governor must leave the meeting while a related item is under discussion. No qualifying third party indemnity provisions have been declared in this financial year. Details of indemnity insurance in place are given in note 9 to the financial statements.

Principal activities

The School's principal activities, identified in the funding agreement, are specifically restricted to the following:

- a) To advance for the public benefit education in the United Kingdom, in particular but without prejudice to generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum ("Sunbury Manor School").
- b) To promote for the benefit of the inhabitants of Sunbury-on-Thames and the surrounding area the provision of facilities for recreation or other leisure time occupation who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and ethnic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life for the said inhabitants.

Method of recruitment and appointment or election of governors

The governing body comprises the Headteacher and up to 12 others.

When vacancies occur on the governing body, the Clerk contacts Governance Services at Surrey County Council (a bought back service) to keep them advised of the vacancy and they will put her in touch with anyone who has contacted them with a view to becoming a governor. The Clerk will then send out information relevant to the School and write to them to ask them if they would like to view the School and meet the Headteacher and the Chair of the governing body. The Clerk also approaches the "One Stop Governor Shop" in exactly the same manner.

When staff governor vacancies occur, the Clerk writes to all members of staff in the School with information regarding the governing body, the meeting structure, the diary of meetings, the commitment required, and nomination forms. Candidates need to be nominated by two other members of staff. Should more people apply than there are vacancies for, a formal ballot is held.

There are no bodies entitled to nominate or appoint governors.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Method of recruitment and appointment or election of governors (continued)

When parent governor vacancies occur, the Clerk writes to all parents of students in the school with information regarding the governing body, the meeting structure, the diary of meetings, the commitment required, and nomination forms. Parents need to be nominated by two other parents. Should more people apply than there are vacancies for, a formal ballot is held.

Attendance at Full Board meetings and at the Resources and Audit Committee meetings in the year 2018 -19 are shown on pages 19 and 20.

Amendment to articles of association (April 2016)

Following a review of the School's governance structure, and after seeking professional advice, in September 2015 governors decided to amend the Trust's articles of association in order to provide separation between governors and members, ensuring that employees of the Trust cannot be members. Approval from the Secretary of State was obtained in December 2016 and the articles were amended by special resolution in April 2016. The amended articles, promoting an additional level of oversight and challenge by members independent of governors, ensures that the School's governance structure follows the best practice set out by the ESFA in the Academies Financial Handbook.

Secretary of State Approvals

During the academic year 2018/19 there were no applications that required Secretary of State Approval.

Policies and procedures adopted for the induction and training of governors

There is an induction handbook that is sent out to all new governors. They are then invited in to meet with the Chair of the Governing Body and the Headteacher and are welcomed by all governors at the next full board meeting. They are given the contact details for the Link Governor, who will advise them regarding training that is available to them. All information relevant to governors is placed on the governor portal, where they can access all agendas, previous minutes, committee structure, membership of committees, policy documents, calendar, handbook, future agenda items, etc.

Organisational structure

In addition to the full governing body, there are three sub-committees, all of which have delegated responsibilities to make decisions. The committees are Resources and Audit, Self-Evaluation and Improvement and Student Welfare, Safeguarding & Community.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational structure (continued)

At the first full board meeting of an academic year, in September, governors decide which committees they will sit on. All governors sit on at least one committee. Committees meet a minimum of once a term and reports from the committees are tabled at the Full Board meeting so that all governors are aware of any issues arising. The Chair of each committee sits on the Resources and Audit Committee. The Terms of Reference for each committee are decided at the first committee meeting of the academic year and reported to the Full Board at its December meeting.

Members of the School's Leadership Team attend each committee, "in attendance", and can contribute to the agenda items being discussed.

The decision as to which committee each governor attends depends on their roles and responsibilities within School. The Headteacher makes a report regarding staffing to the Resources and Audit committee.

The Headteacher attends and makes a written formal report to governors at every full board meeting and then goes through and takes questions on this report. Major decisions regarding the School are reserved for the full board meeting.

The roles and responsibilities for the Leadership Team are revised annually, and these are circulated to the Full Board.

Arrangements for setting pay and remuneration of key management personnel

The Pay Committee, a subcommittee of the Resources and Audit Committee, is responsible for setting pay and remuneration for the Leadership Team. Each position, Headteacher, Deputy Headteacher and Assistant Headteacher, is placed on a point within a predetermined minimum/maximum range. The salary range is established by taking in to consideration the range of skills required and responsibilities held. Benchmarking against other Leadership Team positions in neighbouring schools has been undertaken in the past to ensure that the School is able to recruit and retain a strong Leadership Team. This is especially important given that leadership teams in neighbouring schools receive an enhanced outer London payment.

Leadership Team members are subject to an annual appraisal procedure. In the case of the Headteacher, the appraisal involves trained governors and the School Improvement Partner. Other Leadership Team members have annual appraisals with the Headteacher. Recommendations for movement within the range are made and decided by the Pay Committee.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Trade union facility time

No time was spent by relevant union officials on paid trade union activities during contracted employment hours in the relevant year for purposes of reporting under the Trade Union (Facility Time Publication Requirements) Regulations 2017.

OBJECTIVES AND ACTIVITIES

Objectives, aims, strategies and activities

The School aims to provide high quality and fully inclusive education to students of all abilities between the ages of 11 and 16, underpinned by a relevant and engaging curriculum, with a focus on the humanities (English, History and Geography). The principal aims are:

- ◆ to enable students of all abilities to make the most of their intellectual, practical, physical and social skills;
- ◆ to ensure that students feel happy, safe and well cared for;
- ◆ to help students to develop self-discipline and to learn to behave towards others with care, respect and good manners;
- ◆ to help students to develop self confidence in the classroom, in extension activities and in social situations;
- ◆ to help students to develop high aspirations and to enable them to progress towards a rewarding and fulfilling future; and
- ◆ to provide a fully inclusive, welcoming environment which meets the needs of students with special educational needs or physical disabilities.

Public benefit

The governors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the School's objectives and aims, and in planning future activities for the year. The governors consider that the School's aims are demonstrably to the public benefit.

Equal opportunities policy

The governors recognise that equal opportunities should be an integral part of good practice within the workplace. The School aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

OBJECTIVES AND ACTIVITIES (continued)

Disabled persons

Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all areas of the School. The policy of the School is to support recruitment and retention of students and employees with disabilities. The School does this by adapting the physical environment, by making support resources available and through training and career development. The School caters for a number of physically disabled students.

ACHIEVEMENT AND PERFORMANCE

Provisional Results – Summer 2019

Results achieved by students on roll (172) on the third Thursday in January, having reached the age of 15 in the 12 months preceding the start of the academic year:

The provisional overall Progress 8 score shows that students at Sunbury Manor School made progress in line with all students nationally whilst more able students made better progress than more able students nationally.

| | |
|--------------|--------|
| Attainment 8 | 44.99 |
| Progress 8 | -0.02% |

% of students in the cohort (172) gaining 9-4) or 9-5 in English and/or Maths:

| Subject | % of 4+ | % of 5+ |
|-------------------|---------|---------|
| English | 87% | 69% |
| Maths | 67% | 37% |
| English and Maths | 66% | 36% |

% of students in cohort (172) gaining 9-4 in two and three sciences:

| Subject | % of 4+ |
|----------------------|---------|
| Two or more Sciences | 56% |
| Three sciences | 41% |

ACHIEVEMENT AND PERFORMANCE (continued)

Provisional Results – Summer 2019 (continued)

| Qualification | Subject | Entry Size | % 4+ | % 7+ |
|----------------|------------------------------|------------|------|------|
| GCSE | Art | 29 | 72% | 7% |
| GCSE | Biology | 172 | 55% | 8% |
| GCSE | Business Studies* | 32 | 53% | 9% |
| GCSE | Chemistry | 172 | 52% | 8% |
| GCSE | Citizenship Studies | 38 | 87% | 40% |
| GCSE | Computer Science | 8 | 50% | 13% |
| CNAT L1/2 | Creative Imedia | 19 | 84% | 11% |
| GCSE | Design & Technology | 33 | 45% | 15% |
| GCSE | Drama | 17 | 82% | 0% |
| GCSE | English (Best of Lang & Lit) | 172 | 87% | 21% |
| GCSE | English Language | 172 | 79% | 13% |
| GCSE | English Literature | 172 | 80% | 19% |
| GCSE | Food Technology | 12 | 75% | 25% |
| GCSE | Geography | 85 | 55% | 7% |
| GCSE | History | 88 | 60% | 14% |
| GCSE | Maths | 172 | 67% | 8% |
| BTEC Level 1/2 | Music BTEC Level ½ | 8 | 88% | 38% |
| GCSE | PE | 50 | 68% | 6% |
| GCSE | Photography | 30 | 30% | 0% |
| GCSE | Physics | 172 | 54% | 8% |
| GCSE | Religious Studies | 36 | 83% | 28% |
| GCSE | Spanish | 17 | 94% | 47% |

According to the most recent data published in October 2016, 97% of students from Sunbury Manor sustained places in Further Education and training compared with 95% in Surrey and 94% nationally.

The School received a Section 8 inspection from Ofsted on 9th & 10th October 2019. Sunbury Manor continues to be a 'good' school.

The School still provides a good and improving quality of education. Leaders are ambitious for all pupils to achieve well. Pupils study the full national curriculum through Years 7 to 9. Also, pupils enjoy many visits and other activities which relate to what they have been learning. This includes trips abroad, and parents told inspectors how much these trips build pupils' confidence. The curriculum is well designed to help pupils appreciate and understand the world.

Leaders have successfully created an ethos of respect and tolerance. Pupils are clear that everyone should be treated equally. Pupils want to learn, work hard in lessons and low-level disruption is rare.

ACHIEVEMENT AND PERFORMANCE (continued)

Monitoring

Teachers understand how to meet the needs of pupils with special educational needs and/or disabilities (SEND). Teachers work closely with skilled leaders and staff from the SEND specialist teams to plan lessons and resources. They ensure that this group of pupils receive the support they are entitled to and achieve well.

The leadership of the School is driven by a strong moral purpose to help every pupil do their best. Leaders act with integrity. Their ambitious vision is shared by the whole school community, including governors. Staff are overwhelmingly positive about leaders' concern for their workload and well-being. Leaders changed the way that pupils' progress is monitored, away from frequent tests to fewer assessed tasks. Time previously used for testing is now better used for teaching.

The arrangements for safeguarding are effective.

The next steps as identified by Ofsted Leaders that the School now needs to do are:

- ◆ Pupils' learning in a few subjects is not sequenced as coherently as others. Teachers should ensure that curriculum plans for all subjects contain the knowledge, understanding and skills that pupils should know in a logical order.
- ◆ Across the curriculum, pupils are not always able to remember or describe their learning well enough. This lack of knowledge limits their outcomes. Leaders should ensure that pupils are enabled to recall what they have learned and explain their thinking accurately. Leaders can draw on the strong practice that exists in the school..

Attendance

The School supports a number of pupils with significant medical conditions, which impacts heavily on attendance; however attendance during the academic year was 95.4% (June 2019). The School provides significant intervention from the Social Inclusion Team, attendance officer and the Education Welfare Officer.

Going concern

After making appropriate enquiries, the governing body has a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the principal accounting policies.

Governors' report Year to 31 August 2019

ACHIEVEMENT AND PERFORMANCE (continued)

Financial review

Financial report for the period

In the year to 31 August 2019, ESFA GAG funding of £5,306,304 (2018 - £4,974,235) was received, together with capital funding of £159,996 (2018 - £19,474) and Pupil Premium grants totalling £205,292 (2018 - £200,581). The remaining income comprised other grant funding of £409,969 (2018 - £325,607), other income of £340,746 (2018 - £185,946) and voluntary income of £10,387 (2018 - £830).

Include within income is also the fair value of donated fixed assets of £3.8m that represents construction work undertaken and funded by Surrey County Council of new school buildings and refurbishment work on existing buildings.

Total income for the year was £10,232,794 (2018 - £5,706,673).

Expenditure totalling £6,909,932 was incurred in the year (2018 - £6,306,185), relating to the School's educational operations.

At 31 August 2019, the net book value of fixed assets was £10,753,746 (2018 - £6,925,845), and depreciation of £341,658 (2018 - £325,419) has been charged to the financial statements.

Financial and risk management objectives and policies

The School receives its primary funding in monthly installments from the ESFA. Therefore, its cash flow risk is minimal. Any funds not immediately required for working capital are held in deposit accounts, to generate additional income. As such, the governors consider the School's liquidity risk to be minimal. The School does not use complex debt instruments, hence its exposure to credit risk is also considered low by the governors.

Reserves policy

The governors have reviewed the reserves of the School. This review encompassed the nature of income and expenditure streams, the need to match them with commitments and the nature of reserves. The governors have concluded that reserves of £418,253 (2018 - £684,116), all represented by unrestricted general funds will be sufficient for the School at the present time. These reserves are planned to be expended in full over the course of the next year in order to meet financial pressures brought about by increased staffing costs, significant funding reductions and a delay in the funding for the larger incoming Year 7 against smaller end of Key Stage 4 leavers.

ACHIEVEMENT AND PERFORMANCE (continued)

Financial review (continued)

Reserves policy (continued)

The Government intends that all schools will be funded via the National Funding Formula (NFF) by 2020-21. In order to maintain stability, the introduction of the NFF will be phased. Surrey County Council will maintain a local funding formula during 2018-19 and 2019-20. It is expected that the local authorities use their local formulae to achieve a smooth transition. Viewed at a summary level, the proportion of funding allocated to specific factors in Surrey schools would change under the NFF as follows:

| Funding allocated on the basis of the following factors | Surrey's formula allocation 2017/18 % | Surrey's NFF once fully implemented % |
|--|--|--|
| Basic per pupil funding | 79.4 | 79.91 |
| Minimum Per Pupil Funding Level (new) | 0.00 | 0.02 |
| Deprivation | 7.9 | 4.2 |
| Low Prior Attainment | 3.4 | 7.05 |
| English as an Additional Language | 0.5 | 0.91 |
| Lump Sum per school | 8.8 | 6.88 |
| Sparsity | 0.0 | 0.01 |
| Net Funding Floor | 0.0 | 1.03 |
| <i>(Note all figures are rounded)</i> | 100.0 | 100.0 |

ACHIEVEMENT AND PERFORMANCE (continued)

Financial review (continued)

Reserves policy (continued)

A short-term decrease in student numbers across the borough of Spelthorne resulted in recruiting below the planned pupil admission number in September 2012 and September 2013, this is reflected in the current Year 11 with 185 students currently on roll. Since then, student numbers have risen and in September 2016, the School with the full support of the Local Authority increased its planned admission number to 240, helping to address the predicted shortage of secondary places in the area. The School has worked with the Local Authority with a view to increase our PAN further to at least 270 in September 2019. The Local Authority agreed to fund additional building works on the School site to accommodate this basic need and these completed in August 2019. The lagged funding means the school is supporting the difference in the increase in student numbers from existing reserves and this has created an in-year deficit that has utilised existing reserves. Some of this has been covered by growth funding for the additional class of students taken in Year 7. A three year forecast showed that the school should return to an in year balanced position in 2020/21. Current numbers on roll (at September 2019) are reflected in the following table:

| Year | Males | Females | Total |
|---------------|--------------|----------------|--------------|
| Year 7 | 146 | 118 | 264 |
| Year 8 | 125 | 131 | 256 |
| Year 9 | 108 | 126 | 234 |
| Year 10 | 97 | 101 | 198 |
| Year 11 | 99 | 86 | 185 |
| Totals | 575 | 562 | 1137 |

Projected numbers over the next three years are as follows;

| Year group | 2020/21 | 2021/22 | 2022/23 |
|-------------------|----------------|----------------|----------------|
| Year 7 | 270 | 270 | 270 |
| Year 8 | 264 | 270 | 270 |
| Year 9 | 261 | 264 | 270 |
| Year 10 | 236 | 261 | 264 |
| Year 11 | 207 | 236 | 261 |
| Total | 1238 | 1301 | 1335 |

ACHIEVEMENT AND PERFORMANCE (continued)

Financial review (continued)

Reserves policy (continued)

It is not anticipated that the School will be in a position to build reserves for purposes other than sustaining the School's current provision within the next two years when the positive impacts of increased pupil numbers on funding are realised. The level of reserves will be kept under review by the governors.

It is acknowledged that there is a significant deficit in the LGPS scheme and that this has an impact on the School's restricted ESFA funds balance. However, given that there is currently no expectation that the School will be required to make additional contributions to the scheme above normal funding levels, GAG reserves and the LGPS deficit are monitored and considered independently.

Investment policy

The School holds all funds in a low risk instant access HSBC bank account. There is no charge for operating the account, however interest is not paid. If interest rates rise, the governors will review the current banking arrangements to ensure that interest is earned.

PRINCIPAL RISKS AND UNCERTAINTIES

Staffing

The School, like many others in this geographical area, is finding it increasingly challenging to recruit suitably qualified teaching staff in several core subject areas including Science, Mathematics and English. The School is aware that failure to recruit qualified subject specialists may cause significant damage to the progress that students make, examination results and consequently the reputation of the School.

In an attempt to manage this risk, a considerable amount of time has been invested in working with local ITT establishments to support school based placements and recruit newly qualified teachers directly. This has worked well this year however considerable care needs to be taken as experienced teaching staff are still required to support and mentor new teachers entering the profession. Furthermore, the School is under significant pressure to pay enhanced starting salaries to newly qualified staff as the Surrey Fringe payment is not acting as an incentive to work in this geographical area. Recruitment and retention allowances have been utilised to retain key members of staff in the core subjects of Maths and Science. This is line with the national picture.

Going forward the School will develop further links with the local ITT establishments and attempt to forecast staffing requirements very early in the academic year, long before the resignation period. As the School is expanding, there is a plan to appoint staff in key shortage areas as soon as possible. Whilst early recruitment may result in potential over-staffing, this risk has to be weighed up against failing to find qualified teaching staff or using costly agencies to recruit staff from overseas. The School will attempt to limit the use of agencies to find teaching staff but recognise that this is becoming more challenging given the significant teacher shortage in this geographical area.

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Risk register

The governors have created a risk register which covers the following:

- ◆ the type of risks the School faces and the risks regarded as tolerable;
- ◆ the likelihood of the risks materialising and the School's ability to reduce their incidence and impact on the School's operations; and
- ◆ control procedures which can respond quickly to evolving risks arising from factors within the School and to changes in the external environment

The principal risks and uncertainties facing the School include:

- ◆ natural risk – uncontrollable event e.g. fire;
- ◆ failure to comply with Health and Safety legislation results in an employee/pupil or visitor being injured or killed;
- ◆ financial control risk resulting in serious budget deficit or fraud;
- ◆ failure to comply with employment law resulting in litigation, tribunals;
- ◆ competition for funding/reputation/stakeholder risk – achievement standards falling or poor marketing; falling rolls;
- ◆ insurance risk – inadequate insurance. The school utilises the Risk Protection Arrangement (RPA) through the Department for Education and takes out additional cover for the school minibuses, occasional business use and tablets.
- ◆ technology risk – information security risk; virus risk/corruption of data risk;
- ◆ quality risk of suppliers e.g. capital project providers;
- ◆ GDPR – In line with new legislation all staff have had training and the school has appointed a Data Protection Officer (Deputy Headteacher); and
- ◆ Independent checking of financial controls, systems and transactions and risk are carried out by Buzzacott,

The governors of the School of consider that the risk management processes undertaken by the School and the controls put in place to mitigate risk are appropriate. The risk register is reviewed annually.

Governors' report Year to 31 August 2019

FUNDRAISING

The School does not fundraise directly with individuals and therefore is not registered with the Fundraising Regulator. When donations from individuals are received, the School aims to protect personal data and never sells data or swaps data with other organisations. The School manages its own fundraising activities. The School undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During 2018/19, the School received no complaints about its fundraising activities

PLANS FOR FUTURE PERIODS

The School is now looking to build on existing numbers and fill any outstanding vacant places where possible. The School will continue to Year 2 of the School Development Plan which is to develop resilience, facilitate the school expansion and to further tailor learning, development and feedback to enable good progress.

AUDITOR

In so far as the governors are aware:

- ♦ there is no relevant audit information of which the School's auditor is unaware; and
- ♦ the governors 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.

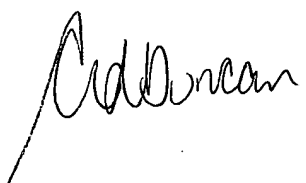
Governors' report approved by order of the members of the board of governors and signed on its behalf by:



Chair of Governors

Date: 10 December 2019

D Evans



A Duncan

Scope of responsibility

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

The governing body have delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the School and the Secretary of State for Education. The Headteacher is also responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the governors' report and in the statement of governors' responsibilities. The governing body has formally met four times during the year. Attendance at Full Board meetings during the year was as follows:

| Governor | Number of meetings attended | Out of a possible |
|----------------------|------------------------------------|--------------------------|
| A L Duncan | 4 | 4 |
| L Hirst (Chair) | 3 | 3 |
| M Lamey (Vice Chair) | 4 | 4 |
| C Burch | 4 | 4 |
| A Cottle | 4 | 4 |
| D Evans | 4 | 4 |
| C Fagan | 3 | 4 |
| S Flint | 3 | 4 |
| E Flippance | 3 | 3 |
| D Johnson | 3 | 4 |
| P Jones | 4 | 4 |
| M McCartney | 3 | 4 |
| C Webber | 4 | 4 |
| J Cloake | 1 | 1 |

C Fagan resigned 31.08.19

E Flippance – term ended 01.12.18 and re-elected 12.02.19

J Cloake appointed 09.07.19

The governors' annual strategy and review meeting in September identifies the development needs of the board and focus areas for the year. Termly planning sessions are used to develop specific skills and analyst impact.

Governance (continued)

The Resources and Audit Committee is a sub-committee of the main governing body. Its purpose is to assist the decision making of the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the Governing Body's responsibility to ensure sound management of the School's finances and resources (including staffing), including proper planning, monitoring and probity.

Attendance at Resources and Audit Committee meetings in the year was as follows:

| Governor | Number of meetings attended | Out of a possible |
|-----------------------|------------------------------------|--------------------------|
| A L Duncan | 3 | 5 |
| L Hirst | 4 | 5 |
| M Lamey | 5 | 5 |
| A Cottle | 4 | 5 |
| D Evans (Chair) | 5 | 5 |
| S Flint | 3 | 3 |
| E Flippance | 2 | 2 |
| M McCartney | 5 | 5 |
| C Webber (Vice Chair) | 5 | 5 |

S Flint took over as Chair of the Student Welfare, Safeguarding and Community Committee from E Flippance and attended the Resources and Audit Committee meetings in her place.

Review of value for money

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

The Accounting Officer considers how the School's use of its resources has provided good value for money during the academic year, and reports to governing body where value for money can be improved, including the use on benchmarking data where available. The Accounting officer for the School has delivered and improved value for money during the year by:

Review of staffing

The School has successfully managed to recruit qualified teaching staff to cover all periods of the timetable. Early curriculum planning and GCSE option choices continued to allow the school to plan effectively. Established graduate cover supervisors reduced the need of daily supply teachers and ensured continuity in the classroom for the students.

Where possible support staff have been redeployed or job profiles amended to ensure best value, however the increase in the needs of new students of the school has necessitated the need to recruit staff to support them.

Governance (continued)

Ensuring best value contracts

The school continues to follow best value principals when purchasing.

The largest invoice remains the Staff Supply Cover Insurance and during the year, the School was able to claim £53k against a policy premium of £67k. This is primarily due to a number of staff returning from maternity leave. After analysis of the school profile, the premium has now reduced to, this year, £47k.

The school has not entered into any new leasing contracts during the year to 31st August 2019

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 ongoing process designed to identify and prioritise the risks to the achievement of the School's 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 at the School for the year ended 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The governing body has reviewed the key risks to which the School is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The governing body is of the view that there is an ongoing process for identifying, evaluating and managing the School's significant risks that has been in place for the year ended 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the governing body.

The risk and control framework

The School'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 governing body;
- ◆ regular reviews by the Resources and Audit Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- ◆ setting targets to measure financial and other performance;
- ◆ clearly defined purchasing (asset purchase or capital investment) guidelines;
- ◆ delegation of authority and segregation of duties;
- ◆ identification and management of risks.

The risk and control framework (continued)

The governing body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors have appointed Buzzacott, the external auditors to undertake internal assurance testing, as set out in the Academies Financial Handbook on behalf of the governors. The internal assurance report is considered by governors. The report completed this year has not identified any areas of concern.

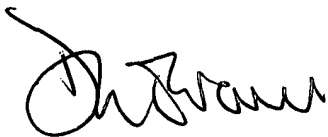
Review of effectiveness

As Accounting Officer, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question, the review has been informed by:

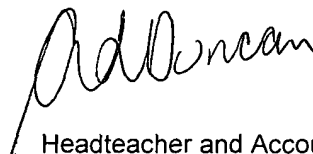
- ◆ the work of the external auditor;
- ◆ the financial management and governance self assessment process;
- ◆ the work of the Leadership Team within the School who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Resources and Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the governing body and signed on their behalf by:



Chair of Governors



Headteacher and Accounting Officer

Approved on:

10 December 2019

D Evans

A Duncan

Statement on regularity, propriety and compliance 31 August 2019

As Accounting Officer of Sunbury Manor School I have considered my responsibility to notify the School's Governing Body and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the School and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the School's governing body are able to identify any material irregular or improper use of funds by the School, or material non-compliance with the terms and conditions of funding under the School's funding agreement and the Academies Financial Handbook 2018.

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

Accounting Officer

Date: 10 December 2019



A Duncan

Statement of governors' responsibilities 31 August 2019

The governors (who act as trustees of the School and are also the directors for the purposes of company law) are responsible for preparing the governors' report and the financial statements in accordance with the Annual Accounts Requirements issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the governors to prepare financial statements for each financial year. Under company law, the governors 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 School and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the governors are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Charities' SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the School will continue in operation.

The governors are responsible for keeping adequate accounting records that are sufficient to show and explain the School's transactions and disclose with reasonable accuracy at any time the financial position of the School 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 School and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The governors are responsible for ensuring that in its conduct and operation the School 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 the ESFA/DfE have been applied for the purposes intended.

The governors are responsible for the maintenance and integrity of the corporate and financial information included on the School'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 Governing Body and signed on its behalf by..



Chair of Governors

Date: 10 December 2019

D Evans



A Duncan

Sunbury Manor School 23

Independent auditor's report Year to 31 August 2019

Independent auditor's report to the members of Sunbury Manor School

Opinion

We have audited the financial statements of Sunbury Manor School (the 'charitable company') for the year ended 31 August 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), 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) (the Charities SORP 2015) and the Academies Accounts Direction 2018 to 2019.

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 August 2019 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006; and
- ◆ have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2018 to 2019.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

Independent auditor's report Year to 31 August 2019

Conclusions relating to going concern (continued)

- ◆ the governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company'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 (covers the reference and administrative details, the report of the governors and strategic report and the governance statement)

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

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

We have nothing to report in this regard.

Opinions 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 governors' report, which is also the directors' report for the purpose of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements: and
- ◆ The governors report, which is also the director's report for the purposes of company law and includes the strategic report, has been prepared in accordance with applicable legal requirements.

Independent auditor's report Year to 31 August 2019

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the governors' 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
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of governors' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the governors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the governors' report and from the requirement to prepare a strategic report.

Responsibilities of governors

As explained more fully in the governors' responsibilities statement, the governors (who are also the directors 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 governors 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 governors are responsible for assessing the charitable company'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 governors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

Independent auditor's report Year to 31 August 2019

Use of our report

This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an auditor's 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott LLP 13 December 2019

Shachi Blakemore (Senior Statutory Auditor)
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Independent reporting accountant's report Year to 31 August 2019

Independent reporting accountant's assurance report on regularity to Sunbury Manor School and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Sunbury Manor School during the period from 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Sunbury Manor School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Sunbury Manor School's funding agreement with the Secretary of State for Education dated 21 March 2011 and the Academies Financial Handbook, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period from 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 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.

Independent reporting accountant's report Year to 31 August 2019

Approach (continued)

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

The work undertaken to draw to our conclusion includes:

- ◆ An assessment of the risk of material irregularity and impropriety across all of the School's activities;
- ◆ Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- ◆ Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

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 period from 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Buzzacott LLP 13 December
2019

Buzzacott LLP
Chartered Accountants
130 Wood Street
London
EC2V 6DL

Statement of financial activities Year to 31 August 2019

(Including the income and expenditure account)

| | Notes | Un-restricted general fund £ | Restricted funds | | 2019 Total funds £ | 2018 Total funds £ |
|--|-------|---------------------------------|--------------------|------------------------|--------------------------|--------------------------|
| | | | Income funds £ | Fixed assets fund £ | | |
| Income and endowments from: | | | | | | |
| Donations and capital grants | 1 | 6,387 | 4,000 | 3,959,996 | 3,970,383 | 20,304 |
| Charitable activities | | | | | | |
| · Funding for the School's educational operations | 3 | — | 5,921,565 | — | 5,921,565 | 5,500,423 |
| Other trading activities | 2 | 122,537 | 218,309 | — | 340,846 | 185,946 |
| Total income | | <u>128,924</u> | <u>6,143,874</u> | <u>3,959,996</u> | <u>10,232,794</u> | <u>5,706,673</u> |
| Expenditure on: | | | | | | |
| Charitable activities | | | | | | |
| · School's educational operations | 4, 5 | — | 6,568,274 | 341,658 | 6,909,932 | 6,306,185 |
| Total expenditure | | <u>—</u> | <u>6,568,274</u> | <u>341,658</u> | <u>6,909,932</u> | <u>6,306,185</u> |
| Net income (expenditure) | 4 | 128,924 | (424,400) | 3,618,338 | 3,322,862 | (599,512) |
| Transfers between funds | 13 | (369,591) | 162,204 | 207,387 | — | — |
| Other recognised gains and losses | | | | | | |
| · Actuarial (losses) gains on defined benefit pension scheme | 18 | — | (802,000) | — | (802,000) | 440,000 |
| Net movement in funds | | (240,667) | (1,064,196) | 3,825,725 | 2,520,862 | (159,512) |
| Reconciliation of funds | | | | | | |
| Fund balances brought forward at 1 September | | 658,920 | (1,797,804) | 6,928,021 | 5,789,137 | 5,948,649 |
| Fund balances carried forward at 31 August | | <u>418,253</u> | <u>(2,862,000)</u> | <u>10,753,746</u> | <u>8,309,999</u> | <u>5,789,137</u> |

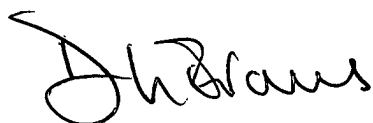
All activities are derived from continuing operations during the above two financial periods.

All recognised gains and losses are included in the Statement of Financial Activities.

Balance sheet as at 31 August 2019

| | Notes | 2019 £ | 2019 £ | 2018 £ | 2018 £ |
|--|-------|----------------|------------------|------------------|------------------|
| Fixed assets | | | | | |
| Tangible fixed assets | 10 | | 10,753,746 | | 6,925,845 |
| Current assets | | | | | |
| Debtors | 11 | 122,828 | | 127,064 | |
| Cash at bank and in hand | | 630,578 | | 902,308 | |
| | | <u>753,406</u> | | <u>1,029,372</u> | |
| Liabilities | | | | | |
| Creditors: amounts falling due within one year | 12 | (335,153) | | (343,080) | |
| Net current assets | | | <u>418,253</u> | | <u>686,292</u> |
| Net assets excluding pension scheme liability | | | 11,171,999 | | 7,612,137 |
| Defined benefit pension scheme liability | 18 | | (2,862,000) | | (1,823,000) |
| Total net assets | | | <u>8,309,999</u> | | <u>5,789,137</u> |
| Restricted funds | | | | | |
| Fixed assets fund | 13 | | 10,753,746 | | 6,928,021 |
| Restricted income funds | 13 | | — | | 25,196 |
| Pension fund | 13 | | (2,862,000) | | (1,823,000) |
| Total restricted funds | | | <u>7,891,746</u> | | <u>5,130,217</u> |
| Unrestricted funds | | | | | |
| General fund | 13 | | 418,253 | | 658,920 |
| Total funds | | | <u>8,309,999</u> | | <u>5,789,137</u> |

The financial statements were approved by the governors and signed on their behalf by:



Chair of Governors
Sunbury Manor School

Approved on: 10 December 2019

D Evans

Company Limited by Guarantee

Registration Number 07545019 (England and Wales)



A Duncan

Cash flow statement Year to 31 August 2019

| | | 2019 £ | 2018 £ |
|--|---|------------------|------------------|
| Cash flows from operating activities | | | |
| Net cash used in operating activities | A | (62,167) | (18,607) |
| Cash flows from investing activities | B | (209,563) | (160,291) |
| Change in cash and cash equivalents in the year | | (271,730) | (178,898) |
| Reconciliation of net cash flow to movement in net funds: | | | |
| Cash and cash equivalents at 1 September | | 902,308 | 1,081,206 |
| Cash and cash equivalents at 31 August | C | 630,578 | 902,308 |

A Reconciliation of net income (expenditure) to net cash flow from operating activities

| | 2019 £ | 2018 £ |
|---|------------------|------------------|
| Net income (expenditure) for the year (as per the statement of financial activities) | 3,322,862 | (599,512) |
| Adjusted for: | | |
| Depreciation charges (note 10) | 341,658 | 325,419 |
| Capital grants from DfE and other capital income | (159,996) | (19,474) |
| Donated fixed assets | (3,800,000) | — |
| Defined benefit pension scheme cost less contributions payable (note 18) | 164 | 211,000 |
| Defined benefit pension scheme finance cost (note 18) | 53 | 53,000 |
| Decrease (increase) in debtors | 4,236 | (26,092) |
| (Decrease) increase in creditors | (7,927) | 37,052 |
| Net cash (used in) operating activities | (62,167) | (18,607) |

B Cash flows from investing activities

| | 2019 £ | 2018 £ |
|---|------------------|------------------|
| Purchase of tangible fixed assets | (369,559) | (179,765) |
| Capital grants from DfE/ESFA utilised in year | 67,996 | 19,474 |
| Capital funding received from sponsors and others | 92,000 | — |
| Net cash used in investing activities | (209,563) | (160,291) |

C Analysis of cash and cash equivalents

| | 2019 £ | 2018 £ |
|--|----------------|----------------|
| Cash at bank and in hand | 630,578 | 902,308 |
| Total cash and cash equivalents | 630,578 | 902,308 |

Principal accountings policies Year to 31 August 2019

Statement of accounting policies

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

Basis of preparation

The financial statements of the School, 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 financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Sunbury Manor School meets the definition of a public benefit entity under FRS 102.

Going concern

The governors 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 School to continue as a going concern. The governors 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 School has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the School's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

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

Grants

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.

The General Annual Grant is recognised in full in the statement of financial activities 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.

Principal accountings policies Year to 31 August 2019

Income (continued)

Grants (continued)

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 assets fund.

Donations

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

Other income

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

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.

Charitable activities

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

All resources expended are stated net of recoverable VAT.

Principal accountings policies Year to 31 August 2019

Tangible fixed assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the Government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed assets fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on such assets is charged to the restricted fixed assets fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the School's depreciation policy.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful lives, as follows:

| | |
|----------------------------------|----------|
| Freehold buildings | 50 years |
| Temporary freehold buildings | 10 years |
| Building improvements | 10 years |
| Fixtures, fittings and equipment | 6 years |
| Computer equipment | 3 years |
| Motor vehicles | 7 years |

Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the School 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.

Leased assets

Rentals under operating leases are charged on a straight line basis over the lease term.

Financial instruments

The School only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the School 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. Prepayments are not financial instruments.

Principal accountings policies Year to 31 August 2019

Financial instruments (continued)

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. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Taxation

The School 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 School 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.

Pensions benefits

Retirement benefits to employees of the School 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 School 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 18, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the School 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 is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Principal accountings policies Year to 31 August 2019

Pensions benefits (continued)

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

Fund accounting

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

Restricted fixed assets fund is to be applied to specific capital purposes imposed by the Education and Skills Funding Agency, Department for Education or other funders where the asset acquired or created is held for a specific purpose.

Restricted income funds comprise all other restricted funds received and include grants from the local education authority.

Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions

The School 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 for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 17, 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.

Notes to the financial statements Year to 31 August 2019

1 Donations and capital grants

| | Unrestricted funds £ | Restricted funds £ | Restricted fixed assets funds £ | 2019 £ |
|------------------------------------|-------------------------|-----------------------|------------------------------------|------------------|
| Capital grants | — | — | 159,996 | 159,996 |
| Donated fixed assets (see note 10) | — | — | 3,800,000 | 3,800,000 |
| Other donations received | 6,387 | 4,000 | — | 10,387 |
| | <u>6,387</u> | <u>4,000</u> | <u>3,959,996</u> | <u>3,970,383</u> |

| | Unrestricted funds £ | Restricted fixed assets funds £ | 2018 £ |
|--------------------------|-------------------------|------------------------------------|---------------|
| Capital grants | — | 19,474 | 19,474 |
| Other donations received | 830 | — | 830 |
| | <u>830</u> | <u>19,474</u> | <u>20,304</u> |

2 Other trading activities

| | Unrestricted funds £ | Restricted funds £ | 2019 £ |
|--|-------------------------|-----------------------|----------------|
| Hire of facilities and lettings income | 15,969 | — | 15,969 |
| Trips income | — | 168,309 | 168,309 |
| Catering income | — | 50,000 | 50,000 |
| Miscellaneous income | 106,568 | — | 106,568 |
| | <u>122,537</u> | <u>218,309</u> | <u>340,846</u> |

| | Unrestricted funds £ | Restricted funds £ | 2018 £ |
|--|-------------------------|-----------------------|----------------|
| Hire of facilities and lettings income | 17,077 | — | 17,077 |
| Trips income | — | 113,920 | 113,920 |
| Miscellaneous income | 54,949 | — | 54,949 |
| | <u>72,026</u> | <u>113,920</u> | <u>185,946</u> |

Notes to the financial statements Year to 31 August 2019

3 Funding for the School's educational operations

| | Unrestricted funds £ | Restricted funds £ | 2019 £ |
|------------------------------|-------------------------|-----------------------|-----------|
| DfE/ESFA grants | | | |
| . General Annual Grant (GAG) | — | 5,306,304 | 5,306,304 |
| . Other DfE/ESFA grants | — | 205,292 | 205,292 |
| | — | 5,511,596 | 5,511,596 |
| Other Government grants | | | |
| . Local authority grants | — | 409,969 | 409,969 |
| | — | 409,969 | 409,969 |
| | — | 5,921,565 | 5,921,565 |
| | | | |
| | Unrestricted funds £ | Restricted funds £ | 2018 £ |
| DfE/ESFA grants | | | |
| . General Annual Grant (GAG) | — | 4,974,235 | 4,974,235 |
| . Other DfE/ESFA grants | — | 200,581 | 200,581 |
| | — | 5,174,816 | 5,174,816 |
| Other Government grants | | | |
| . Local authority grants | — | 325,607 | 325,607 |
| | — | 325,607 | 325,607 |
| | — | 5,500,423 | 5,500,423 |

4 Expenditure

| | Staff costs £ | Non pay expenditure | | 2019 Total funds £ |
|--|------------------|---------------------|------------------|--------------------------|
| | | Premises £ | Other costs £ | |
| School's educational operations (note 5) | | | | |
| . Direct costs | 4,183,942 | 341,658 | 443,745 | 4,969,345 |
| . Allocated support costs | 1,212,245 | 344,695 | 383,647 | 1,940,587 |
| | 5,396,187 | 686,353 | 827,392 | 6,909,932 |
| | | | | |
| | Staff costs £ | Non pay expenditure | | 2018 Total funds £ |
| | | Premises £ | Other costs £ | |
| School's educational operations (note 5) | | | | |
| . Direct costs | 3,759,813 | 325,419 | 388,142 | 4,473,374 |
| . Allocated support costs | 1,211,693 | 274,627 | 346,491 | 1,832,811 |
| | 4,971,506 | 600,046 | 734,633 | 6,306,185 |

Notes to the financial statements Year to 31 August 2019

4 Expenditure (continued)

| | 2019 £ | 2018 £ |
|--|-----------|-----------|
| Net expenditure for the year includes: | | |
| Operating lease rentals | 5,620 | 2,810 |
| Depreciation | 341,658 | 325,419 |
| Fees payable to auditor for | | |
| · Statutory audit | 10,500 | 10,000 |
| · Other services | 8,610 | 6,525 |

5 School's educational operations

| | 2019 Total funds £ | 2018 Total funds £ |
|---------------|-----------------------------|-----------------------------|
| Direct costs | 4,969,345 | 4,473,374 |
| Support costs | 1,940,587 | 1,832,811 |
| | 6,909,932 | 6,306,185 |

| | 2019 Total funds £ | 2018 Total funds £ |
|----------------------------------|-----------------------------|-----------------------------|
| Analysis of support costs | | |
| Support staff costs | 1,212,245 | 1,211,693 |
| Technology costs | 60,920 | 63,832 |
| Premises costs | 344,695 | 274,627 |
| Other support costs | 300,964 | 266,121 |
| Governance costs | 21,763 | 16,538 |
| Total support costs | 1,940,587 | 1,832,811 |

Notes to the financial statements Year to 31 August 2019

6 Comparative information

Analysis of income and expenditure in the year ended 31 August 2018 between restricted and unrestricted funds:

| | Notes | Un-restricted general fund £ | Restricted funds | | 2018 Total funds £ |
|---|-------|---------------------------------|--------------------|------------------------|-----------------------|
| | | £ | Income funds £ | Fixed assets fund £ | £ |
| Income and endowments from: | | | | | |
| Donations and capital grants | 1 | 830 | — | 19,474 | 20,304 |
| Charitable activities | | | | | |
| Funding for the School's educational operations | 3 | — | 5,500,423 | — | 5,500,423 |
| Other trading activities | 2 | 72,026 | 113,920 | — | 185,946 |
| Total income | | 72,856 | 5,614,343 | 19,474 | 5,706,673 |
| Expenditure on: | | | | | |
| Charitable activities | | | | | |
| School's educational operations | 4, 5 | — | 5,980,766 | 325,419 | 6,306,185 |
| Total expenditure | | — | 5,980,766 | 325,419 | 6,306,185 |
| Net income (expenditure) | | 72,856 | (366,423) | (305,945) | (599,512) |
| Transfers between funds | 13 | — | (150,507) | 150,507 | — |
| Other recognised gains and losses | | | | | |
| Actuarial gains on defined benefit pension scheme | 17 | — | 440,000 | — | 440,000 |
| Net movement in funds | | 72,856 | (76,930) | (155,438) | (159,512) |
| Reconciliation of funds | | | | | |
| Fund balances brought forward at 1 September | | 586,064 | (1,720,874) | 7,083,459 | 5,948,649 |
| Fund balances carried forward at 31 August | | 658,920 | (1,797,804) | 6,928,021 | 5,789,137 |

7 Staff

(a) Staff costs

Staff costs during the year were:

| | 2019 £ | 2018 £ |
|-----------------------|------------------|------------------|
| Wages and salaries | 4,059,713 | 3,718,355 |
| Social security costs | 419,535 | 384,655 |
| Pension costs | 893,945 | 827,328 |
| | 5,373,193 | 4,930,338 |
| Supply teacher costs | 22,994 | 41,168 |
| | 5,396,187 | 4,971,506 |

Notes to the financial statements Year to 31 August 2019

7 Staff (continued)

(b) Staff numbers

The average number of persons (including the senior management team) employed by the School during the year ended 31 August 2019 was as follows:

| Charitable Activities | 2018 Number | 2018 Number |
|----------------------------|----------------|----------------|
| Teachers | 64 | 61 |
| Administration and support | 45 | 47 |
| Management | 7 | 5 |
| | 116 | 113 |

(c) Higher paid staff

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

| | 2019 Number | 2018 Number |
|---------------------|----------------|----------------|
| £60,001 - £70,000 | 4 | 1 |
| £70,001 - £80,000 | — | 1 |
| £80,001 - £90,000 | 2 | 2 |
| £120,001 - £130,000 | 1 | 1 |

(d) Key management personnel

The key management personnel of the School comprise the governors and the Leadership Team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employers national insurance contributions) received by key management personnel for their services to the School was £716,320 (2018 - £550,549).

Notes to the financial statements Year to 31 August 2019

8 Governors' remuneration and expenses

The Headteacher and staff governors only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff and not in respect of their services as governors. Other governors did not receive any payments from the School in respect of their role as governors. The value of governors' remuneration and other benefits was as follows:

| | 2019 £'000 | 2018 £'000 |
|---------------------------------------|---------------|---------------|
| A L Duncan (Headteacher and governor) | | |
| . Remuneration | 120-125 | 120-125 |
| . Employer's pension contributions | 20-25 | 20-25 |
| A Cottle (Staff governor) | | |
| . Remuneration | 80-85 | 80-85 |
| . Employer's pension contributions | 10-15 | 10-15 |
| C Fagan (Staff governor) | | |
| . Remuneration | 55-60 | 55-60 |
| . Employer's pension contributions | 15-20 | 15-20 |
| D Johnson (Staff governor) | | |
| . Remuneration | 50-55 | 45-50 |
| . Employer's pension contributions | 5-10 | 5-10 |

During the year to 31 August 2019, travel expenses was paid to one governor and amounted to £5 (2018 - £367 for five governors).

Other related party transactions are set out in note 19.

9 Governor and Officers' Insurance

The School has opted into the ESFA Risk Protection Arrangement (RPA) which provides cover up to £10 million. The total costs for the overall insurance package for the School, including governor and officers' insurance, was £18,800 (2018 - £18,800).

Notes to the financial statements Year to 31 August 2019

10 Tangible fixed assets

| | Freehold land and buildings £ | Furniture and equipment £ | Computer equipment £ | Motor vehicles £ | Total funds £ |
|------------------------|--|------------------------------------|----------------------------|------------------------|---------------------|
| Cost/Value | | | | | |
| At 1 September 2018 | 8,213,724 | 435,959 | 287,841 | 30,179 | 8,967,703 |
| Additions | 4,058,534 | 59,476 | 51,549 | — | 4,169,559 |
| At 31 August 2019 | 12,272,258 | 495,435 | 339,390 | 30,179 | 13,137,262 |
| Depreciation | | | | | |
| At 1 September 2018 | 1,570,263 | 224,666 | 216,750 | 30,179 | 2,041,858 |
| Charge in for the year | 282,811 | 21,581 | 37,266 | — | 341,658 |
| At 31 August 2019 | 1,853,074 | 246,247 | 254,016 | 30,179 | 2,383,516 |
| Net book value | | | | | |
| At 31 August 2018 | 6,643,461 | 211,293 | 71,091 | — | 6,925,845 |
| At 31 August 2019 | 10,419,184 | 249,188 | 85,374 | — | 10,753,746 |

During 2018/19 Surrey County Council undertook the construction of a new school building and refurbishment work on existing school buildings. The total value of the work undertaken was £4m of which the Council funded £3.8m and the School made a contribution of £0.2m.

The School acquired the school buildings and associated fixtures and equipment from Surrey County Council on 1 April 2011. The governors based their valuation of the School buildings on information provided by the Surrey Valuation Office at the date of acquisition. The building was valued at the existing use value, using a depreciated replacement cost approach.

The land on which the School buildings are situated is deemed to have no commercial value to the School. Ancillary land owned by the School is currently leased to Spelthorne Borough Council until September 2038. The School has no rights over this land until the expiry of the lease, and so it is also deemed to have no commercial value.

11 Debtors

| | 2019 £ | 2018 £ |
|--------------------------------|----------------|----------------|
| VAT recoverable | 7,410 | 14,775 |
| Other debtors | 3,420 | 1,740 |
| Prepayments and accrued income | 111,998 | 110,549 |
| | 122,828 | 127,064 |

Notes to the financial statements Year to 31 August 2019

12 Creditors: amounts falling due within one year

| | 2019 £ | 2018 £ |
|--------------------------------|----------------|----------------|
| Taxation and social security | 197,243 | 175,508 |
| Accruals and deferred income | 137,910 | 167,572 |
| | 335,153 | 343,080 |
| Deferred income: | | |
| Deferred income at 1 September | 96,863 | 76,176 |
| Released during the year | (96,863) | (76,176) |
| Resources deferred in the year | 100,853 | 96,863 |
| Deferred income at 31 August | 100,853 | 96,863 |

13 Funds

| | Balance at 1 September 2018 £ | Income £ | Expenditure £ | Gains, losses and transfers £ | Balance at 31 August 2019 £ |
|-------------------------------------|--|-------------------|--------------------|--|--------------------------------------|
| Restricted general funds | | | | | |
| . General Annual Grant (GAG) | 25,196 | 5,306,304 | (5,493,704) | 162,204 | — |
| . Pupil Premium | — | 205,292 | (205,292) | — | — |
| . Pension reserve | (1,823,000) | — | (237,000) | (802,000) | (2,862,000) |
| | (1,797,804) | 5,511,596 | (5,935,996) | (639,796) | (2,862,000) |
| Other restricted funds | | | | | |
| . Local authority grants | — | 409,969 | (409,969) | — | — |
| . Other restricted funds | — | 222,309 | (222,309) | — | — |
| | — | 632,278 | (632,278) | — | — |
| Total restricted funds | (1,797,804) | 6,143,874 | (6,568,274) | (639,796) | (2,862,000) |
| Restricted fixed assets fund | | | | | |
| . Fixed assets held | 6,896,587 | — | (341,658) | — | 6,554,929 |
| . Donated fixed assets | — | 3,800,000 | — | — | 3,800,000 |
| . DfE/ESFA capital grants | 31,434 | 159,996 | — | — | 191,430 |
| . Capital expenditure from GAG | — | — | — | 207,387 | 207,387 |
| | 6,928,021 | 3,959,996 | (341,658) | 207,387 | 10,753,746 |
| Unrestricted funds | | | | | |
| . General funds | 658,920 | 128,924 | — | (369,591) | 418,253 |
| Total unrestricted funds | 658,920 | 128,924 | — | (369,591) | 418,253 |
| Total funds | 5,789,137 | 10,232,794 | (6,909,932) | (802,000) | 8,309,999 |

Notes to the financial statements Year to 31 August 2019

13 Funds (continued)

The specific purposes for which the funds are to be applied are as follows:

Restricted ESFA funds

These grants relate to the School's development and operational activities.

General Annual Grant (GAG)

Under the funding agreement with the Secretary of State, the School was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019.

Restricted fixed assets fund

This fund comprises the tangible fixed assets owned by the School plus any capital grants received but unspent at the year end.

Comparative information

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

| | Balance at 1 September 2017 £ | Income £ | Expenditure £ | Gains, losses and transfers £ | Balance at 31 August 2018 £ |
|-------------------------------------|--|------------------|--------------------|--|--------------------------------------|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | 278,126 | 4,974,235 | (5,076,658) | (150,507) | 25,196 |
| Pupil Premium | — | 200,581 | (200,581) | — | — |
| Pension reserve | (1,999,000) | — | (264,000) | 440,000 | (1,823,000) |
| | <u>(1,720,874)</u> | <u>5,174,816</u> | <u>(5,541,239)</u> | <u>289,493</u> | <u>(1,797,804)</u> |
| Other restricted funds | | | | | |
| Local authority grants | — | 325,607 | (325,607) | — | — |
| Other restricted funds | — | 113,920 | (113,920) | — | — |
| | <u>—</u> | <u>439,527</u> | <u>(439,527)</u> | <u>—</u> | <u>—</u> |
| Total restricted funds | <u>(1,720,874)</u> | <u>5,614,343</u> | <u>(5,980,766)</u> | <u>289,493</u> | <u>(1,797,804)</u> |
| Restricted fixed assets fund | | | | | |
| Fixed assets held | 7,071,499 | — | (325,419) | 150,507 | 6,896,587 |
| DfE/ESFA capital grants | 11,960 | 19,474 | — | — | 31,434 |
| | <u>7,083,459</u> | <u>19,474</u> | <u>(325,419)</u> | <u>150,507</u> | <u>6,928,021</u> |
| Unrestricted funds | | | | | |
| General funds | 586,064 | 72,856 | — | — | 658,920 |
| Total unrestricted funds | <u>586,064</u> | <u>72,856</u> | <u>—</u> | <u>—</u> | <u>658,920</u> |
| Total funds | <u>5,948,649</u> | <u>5,706,673</u> | <u>(6,306,185)</u> | <u>440,000</u> | <u>5,789,137</u> |

Notes to the financial statements Year to 31 August 2019

14 Analysis of net assets between funds

Fund balances at 31 August 2019 are represented by:

| | Unrestricted Funds £ | Restricted ESFA Funds £ | Restricted Fixed Asset Funds £ | Total 2019 £ |
|--------------------------|----------------------------|----------------------------------|--|--------------------|
| Tangible fixed assets | — | — | 10,753,746 | 10,753,746 |
| Current assets | 418,253 | 335,153 | — | 753,406 |
| Current liabilities | — | (335,153) | — | (335,153) |
| Pension scheme liability | — | (2,862,000) | — | (2,862,000) |
| Total net assets | 418,253 | (2,862,000) | 10,753,746 | 8,309,999 |

| | Unrestricted Funds £ | Restricted ESFA Funds £ | Restricted Fixed Asset Funds £ | Total 2018 £ |
|--------------------------|----------------------------|----------------------------------|--|--------------------|
| Tangible fixed assets | — | — | 6,925,845 | 6,925,845 |
| Current assets | 658,920 | 368,276 | 2,176 | 1,029,372 |
| Current liabilities | — | (343,080) | — | (343,080) |
| Pension scheme liability | — | (1,823,000) | — | (1,823,000) |
| Total net assets | 658,920 | (1,797,804) | 6,928,021 | 5,789,137 |

15 Financial commitments

Operating leases

At 31 August 2019, the total of the School's future minimum lease payments under non-cancellable operating leases was as follows:

| | 2019 £ | 2018 £ |
|--|--------------|---------------|
| Amounts due within one year | 5,620 | 5,620 |
| Amounts due between two and five years inclusive | 4,215 | 9,835 |
| | 9,835 | 15,455 |

16 Contingent liabilities

Under the terms of a catering contract between the School and a third party supplier, there is a contingent liability to repay a proportion of an initial advance received by the School when the contract was signed in August 2018. The liability would crystallise, should either the School or supplier terminate the contract before August 2025. At 31 August 2019, the contingency is estimated at £43,000. The School does not consider that early termination is probable and therefore no liability is recognised in the financial statements.

17 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

18 Pension and similar obligations

The School's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Hymans Robertson LLP. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2016. There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools, colleges and other educational establishments. Membership is automatic for teachers and lecturers at eligible institutions. Teachers and lecturers are able to opt out of the TPS.

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

Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension plan. The Academy Trust is unable to identify its share of the underlying assets and liabilities of the plan.

Accordingly, the School has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan. The School has set out above the information available on the plan and the implications for the School in terms of the anticipated contribution rates.

The valuation of the TPS is carried out in line with regulations made under the Public Service Pension Act 2013. Valuations credit the teachers' pension account with a real rate of return assuming funds are invested in notional investments that produce that real rate of return.

The latest actuarial review of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education (DfE) in April 2019. The valuation reported total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218 billion, and notional assets

Notes to the financial statements Year to 31 August 2019

18. Pension and similar obligations (continued)

Teachers' Pension Scheme (continued)

(estimated future contributions together with the notional investments held at the valuation date) of £196 billion, giving a notional past service deficit of £22 billion.

As a result of the valuation, new employer contribution rates were set at 23.68% of pensionable pay from September 2019 onwards (compared to 16.48% during 2018/19). The Department for Education has agreed to pay a teacher pension employer contribution grant to cover the additional costs during the 2019/20 academic year.

A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website.

The employer's pension costs paid to TPS in the period amounted to £565,712 (2018 - £489,176).

Local Government Pension Scheme (LGPS)

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £277,000 (2018 - £245,000), of which employer's contributions totalled £216,000 (2017 - £186,000) and employees' contributions totalled £61,000 (2018 - £59,000). The agreed contribution rates for future years are 22.3% for employers and 5.5- 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 an academy trust 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 | At 31 August 2019 | At 31 August 2018 |
|--|-------------------------|-------------------------|
| Rate of increase in salaries | 2.6% | 2.7% |
| Rate of increase for pensions in payment / inflation | 2.3% | 2.4% |
| Discount rate for scheme liabilities | 1.8% | 2.8% |
| Inflation assumption (CPI) | 2.3% | 2.4% |
| Commutation of pensions to lump sums | 63.0% | 63.0% |

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

| | At 31 August 2019 | At 31 August 2018 |
|-----------------------------|-------------------------|-------------------------|
| <i>Retiring today</i> | | |
| Males | 21.6 | 22.5 |
| Females | 23.6 | 24.6 |
| <i>Retiring in 20 years</i> | | |
| Males | 22.5 | 24.1 |
| Females | 25.0 | 26.4 |

Notes to the financial statements Year to 31 August 2019

18. Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

| Sensitivity analysis of assumptions used to measure scheme liability: | At 31 August 2019 £'000 | At 31 August 2018 £'000 |
|---|----------------------------|----------------------------|
| Discount rate -0.5% | 803 | 606 |
| Salary increase rate +0.5% | 83 | 73 |
| Pension increase rate +0.5% | 706 | 528 |

The School's share of the assets and liabilities in the scheme were:

| | Fair value at 31 August 2019 £'000 | Fair value at 31 August 2018 £'000 |
|--|---------------------------------------|---------------------------------------|
| Equities | 2,567 | 2,286 |
| Corporate bonds | 651 | 540 |
| Property | 289 | 222 |
| Cash and other liquid assets | 108 | 127 |
| Total market value of assets | 3,615 | 3,175 |
| Present value of scheme liabilities | | |
| Funded | (6,477) | (4,998) |
| Deficit in the scheme | (2,862) | (1,823) |

| Amounts recognised in statement of financial activities | 2019 £'000 | 2018 £'000 |
|---|---------------|---------------|
| Current service cost | 380 | 397 |
| Interest income | 92 | — |
| Interest cost | (145) | (31) |
| Total amount recognised in the SOFA | 327 | 366 |

Analysis of pension finance income/(costs)

| | | |
|--|-------------|-----------|
| Expected return on pension scheme assets | 92 | 157 |
| Interest on pension liabilities | (145) | (126) |
| Pension finance costs | (53) | 31 |

| Movements in the overall deficit were as follows | 2019 £'000 | 2018 £'000 |
|--|----------------|----------------|
| Deficit at 1 September | (1,823) | (1,999) |
| Current service cost | (400) | (397) |
| Employer contributions | 216 | 186 |
| Net finance interest | (53) | 31 |
| Actuarial (losses) gains | (802) | 356 |
| At 31 August | (2,862) | (1,823) |

18. Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

| Changes in the present value of defined benefit obligations were as follows: | 2019 £'000 | 2018 £'000 |
|--|---------------|---------------|
| At 1 September | 4,998 | 4,832 |
| Current service cost | 380 | 397 |
| Past service cost | 20 | — |
| Interest cost | 145 | 126 |
| Employee contributions | 61 | 59 |
| Actuarial (gain)/(loss) | 922 | (356) |
| Benefits paid | (49) | (60) |
| At 31 August | 6,477 | 4,998 |

| Changes in the fair value of the School's share of scheme assets: | 2018 £'000 | 2018 £'000 |
|---|---------------|---------------|
| At 1 September | 3,175 | 2,833 |
| Interest income | 92 | 73 |
| Actuarial gain | 120 | 84 |
| Employer contributions | 216 | 186 |
| Employee contributions | 61 | 59 |
| Benefits paid | (49) | (60) |
| At 31 August | 3,615 | 3,175 |

Employer contributions for the year ended 31 August 2020 are estimated at £216,000.

19. Related party transactions

Owing to the nature of the School's operations and the composition of the board of governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of governors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the School's financial regulations and normal procurement procedures.

In the 2018/19 financial year, the School employed the spouse of the Headteacher on a part time basis for which it paid £2,145 including national insurance contributions (2018 – £2,535). The spouse of the Headteacher was employed in the capacity of casual staff for invigilating during the exam period and driving the school Mini-Bus. He was paid the standard market rate for this employment in line with other invigilators. The Headteacher was not involved in the recruitment and appointment process and he is line managed by the Deputy Headteacher.

The School conducted the above related party transactions in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with their financial regulations and procurement procedures.