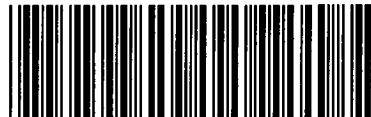


MAYFLOWER HIGH SCHOOL
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

MONDAY



A8KY9USW

A19

23/12/2019

#103

COMPANIES HOUSE

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3 - 16
Governance Statement	17 - 22
Statement on Regularity, Propriety and Compliance	23
Statement of Trustees' Responsibilities	24
Independent Auditors' Report on the Financial Statements	25 - 27
Independent Reporting Accountant's Report on Regularity	28 - 29
Statement of Financial Activities Incorporating Income and Expenditure Account	30 - 31
Balance Sheet	32 - 33
Statement of Cash Flows	34
Notes to the Financial Statements	35 - 65

Mayflower High School
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2019

Members

L Brumby
S Wright
A Hunter

Trustees

L Beavon* – Resigned 12/03/2019
L Brumby* (Headteacher and Accounting Officer)
A Butler* (Staff Trustee) – Resigned 20/12/2018
T Fox*
D Hayhow*
G Henderson Started 1/4/2019
A Hunter* (Vice-Chair)
S Lister*
F MacLeod* - Resigned 11/12/2018
I Mitchell* - Resigned 31/12/2018
N Morris
P Sharp*
B Stansfield* Appointed 1/6/2019
A Stephens- Resigned 27/09/2018
J Underwood- Resigned 20/01/2019
L Whitworth
A Wilson*
S Wright* (Chairman)

*Members of the Finance and Premises Committee

Company Secretary

S Mason

Senior Management Team

Headteacher	L Brumby
Deputy Headteacher	J Williams
Business Manager	S Hayward
Assistant Headteacher	K Streek
Assistant Headteacher	C Kerrigan
Assistant Headteacher	J Rhodes
Assistant Headteacher	S Fawell
Assistant Headteacher	J Rowlands
Assistant Headteacher	J Smalley
Assistant Headteacher	R Griffiths

Company Name

Mayflower High School

Mayflower High School
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2019

Principal and Registered Office

Stock Road
Billericay
Essex,
CM12 0RT

Company Registered Number

07962668 (England & Wales)

Independent Auditor

MHA MacIntyre Hudson,
New Bridge Street House, 30-34, New Bridge Street, London, EC4V 6BJ

Bankers

Lloyds Bank,
4 Station Road,
Upminster,
Essex,
RM14 2UR

Solicitors

Stone King,
16 St Johns' Lane,
London,
EC1M 4BS

Mayflower High School
(A company limited by guarantee)

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

The trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2018- 31 August 2019. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Academy Trust operates an academy for pupils aged 11 to 19 serving a catchment area in Billericay. It has a pupil capacity of 1561 and had a roll of 1561 in the school census on 17th January 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The trustees of Mayflower High School are also the directors of the charitable company for the purposes of company law. The charitable company operates as Mayflower High School.

Details of the trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on pages 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.

Trustees' Indemnities

Qualifying third party indemnity provisions (as defined in section 236 of the Companies Act 2006) were in force for the benefit of directors of the charitable company throughout the year and remain in force at the date of this report.

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance in the year was 434.64 +IPT.

Method of Recruitment and Appointment or Election of Trustees

The board regularly recruits new trustees from the local community, parents and staff to replace resignations and ensure a comprehensive skill set. All new appointments are subject to approval by the full governing body and applicants agree to undertake the training necessary to become fully effective. New trustees are typically mentored by more experienced colleagues in the first instance.

MEMBERS

The members of the Academy Trust comprise;

- The Head teacher
- The Chair of the Trustees
- The vice-chair of the Trustees
- One person appointed by the Secretary of State, in the event that the Secretary of State appoints a person for this purpose; and Members appointed under article 16 of the Articles of Association- Currently none

Each of the persons above are entitled to appoint Members and shall have the right from time to time by written notice delivered to the Office to remove any Member appointed by them and to appoint a replacement Member to fill a vacancy whether resulting from such removal or otherwise.

Mayflower High School
(A company limited by guarantee)

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

Membership will terminate automatically if:

- A Member (which is a corporate entity) ceases to exist and is not replaced by a successor institution;
- A Member (which is an individual) dies or becomes incapable by reason of mental disorder, illness or injury of managing and administering his own affairs;
- A Member becomes insolvent or makes any arrangement or composition with that Member's creditors generally. Any of the persons above may appoint a Member in the event of membership terminating under the above conditions.
- The Members may agree unanimously in writing to appoint such additional Members as they think fit and may unanimously (save that the agreement of the Member(s) to be removed shall not be required) in writing agree to remove any such additional Members.

Every person nominated to be a Member of the Academy Trust shall either sign a written consent to become a Member or sign the register of Members on becoming a Member.

Any Member may resign provided that after such resignation the number of Members is not less than three. A Member shall cease to be one immediately on the receipt by the Academy Trust of a notice in writing signed by the person or persons entitled to remove him under Articles 13 or 16 provided that no such notice shall take effect when the number of Members is less than three unless it contains or is accompanied by the appointment of a replacement Member.

TRUSTEES

As detailed in the Memorandum and Articles, the Academy Trust should have the following Trustees: Subject to Articles 48-49 and 64, the Academy Trust shall have the following Trustees:

- a) Up to 9 Trustees, appointed under Article 50;
- b) A minimum of 2 and up to 7 Parent Trustees appointed under Articles 53-58;
- c) Up to 3 Staff Trustees, subject to Article 50A;
- d) The Head teacher;
- e) Any Additional Trustees, if appointed under Article 62, 62A or G8A;
- f) any Further Trustees, if appointed under Article 63 or Article G8A.

APPOINTMENT OF TRUSTEES

The Members may appoint up to 9 Trustees, subject to Article 50A.

The total number of Trustees who are employees of the Academy Trust (including the Headteacher) must not exceed one third of the total number of Trustees.

The Head teacher shall be treated for all purposes as being an ex officio Governor.

Parent Trustees are elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time when he/she is elected.

The Governing Body shall make all necessary arrangements for, and determine all other matters relating to, an election of Parent Trustees, including any question of whether a person is a parent of a registered pupil at the Academy. Any election of Parent Trustees which is contested shall be held by secret ballot.

The Staff Trustees shall be elected by staff members at the Academy. A Staff Governor must be a staff member at the time when he/she is elected. If a Staff Governor ceases to be a staff member then he/she shall be deemed to have resigned and shall cease to be a Governor.

The Trustees may appoint up to 3 Co-opted Trustees.

Mayflower High School
(A company limited by guarantee)

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

The Secretary of State may also appoint such Additional Trustees where following an Inspection by the Chief Inspector in accordance with the Education Act 2005 (an "Inspection") the Academy Trust receives an Ofsted grading (being a grade referred to in The Framework for School Inspection or any modification or replacement of that document for the time being in force) which amounts to a drop, either from one Inspection to the next Inspection or between any two Inspections carried out within a 5 year period. For the purposes of the foregoing the grade received by the Predecessor School shall be regarded as the grade received by the Academy.

The Secretary of State may also appoint such Further Trustees as he thinks fit if a Special Measures Termination Event (as defined in the Funding Agreement) occurs in respect of the Academy.

Within 5 days of the Secretary of State appointing any Additional or Further Trustees in accordance with Articles 62, 62A or 63, any Trustees appointed under Article 50 and holding office immediately preceding the appointment of such Trustees, shall resign immediately and the Members' power to appoint Trustees under Article 50 shall remain suspended until the Secretary of State removes one or more of the Additional or further Trustees.

Policies and Procedures Adopted for the Induction and Training of Trustees

Trustees are recruited based on the skills that they will bring to the Governing Body or based on a proposal to the Governing Body by representative groups. On appointment Trustees receive extensive information relating to the Academy Trust and attend a meeting with the Headteacher; they are also linked to a current governor. During the year Trustees are offered training through school based and external courses. All Trustees are provided with copies of policies, procedures, minutes, financial statements, budgets, plans and other documents that they will need to undertake their role as Trustees. Regular skills audits are undertaken to ensure that the board has a broad variety of skills and competencies among its members..

Organisational Structure

All Trustees are members of the full board. In addition Trustees are members of committees who report to the full board. There are five governors' committees: Curriculum, Chairs Liaison, Finance and Premises, Personnel, and Pay Committee. The membership of the Finance and Premises Committee is shown on page 1. There are agreed terms of reference for each committee which are reviewed annually. The board is responsible for the strategic direction and overall Trust management.

The day to day running of the school is delegated to the Headteacher, the leadership team and middle managers. The leadership team consists of the Headteacher, Deputy Headteacher, seven Assistant Headteachers and the Business Manager. The Headteacher is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

Key management personnel include Academy trustees and those staff to whom the trustees have delegated significant authority and responsibility in the day to day running of the school, these are the Head Teacher, the Deputy head Teacher and the School Business Manager.

The arrangements for setting the pay and remuneration of the academy's key management personnel are set out in the pay policy of the academy. Pay and remuneration of key personnel is decided by a variety of contributory factors, such as the pay scales for each role and level of experience of each member of staff. In addition, pay levels may be affected by nationally agreed pay awards.

The academy acknowledges that it has two members of key management personnel where remuneration is over £100k. The trustees consider this to be acceptable due to the small size of the senior leadership team including only one deputy head.

Mayflower High School
(A company limited by guarantee)

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

Trade union facility time & Relevant Union Officials

There are 2 trade union representatives, FTE 1.8. There were no costs associated with their trade union activities during the year 2018-19

Related Parties and other Connected Charities and Organisations

The trustees, all key management personnel and other key staff of Mayflower academy declare any pecuniary interests on an annual basis. Any transactions made between the resulting related parties are only undertaken in accordance with the Academies Financial Handbook.

The academy did not co-operate with any related party organisations during the academic year.

OBJECTIVES AND ACTIVITIES

Objects and Aims

Mayflower High School's object is to advance for the public benefit education in the United Kingdom, in particular and without prejudice to the generality of foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum. And also to promote for the benefit of the inhabitants of Billericay and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

Objectives, Strategies and Activities

During the year the school has worked towards its aims by setting a school development plan. The full document can be viewed at www.mayflowerhigh.essex.sch.uk/policies-and-documentation

The Key focus areas for improvement are as follows;

1. Student Progress & Outcomes

- 1.1 Raising standards of attainment and progress
- 1.2 Data for tracking
- 1.3 Student progress interventions

2. Inclusion

- 2.1 Pupil Premium
- 2.2 Most Able
- 2.3 SEND
- 2.4 Year 7 Catch-up
- 2.5 EAL (English as an additional Language)

3. 16-19 Provision & Outcomes

- 3.1 Raising standards of attainment & progress
- 3.2 KS5 Curriculum Developments
- 3.3 Dress Code

4. Quality of Teaching & Assessment

- 4.1 Literacy
- 4.2 Quality marking and feedback
- 4.3 Reporting

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

5. Student Development, Behaviour & Welfare

- 5.1 Pupil leadership
- 5.2 Behaviour expectations
- 5.3 Uniform standards

6. Staff Development

- 6.1 Staff well-being
- 6.2 Evaluate and review teaching staff CPD
- 6.3 Targeted training for support staff

Ofsted Key Issue

- To improve the good performance of the sixth form, with a particular focus on A/A2 English, Mathematics, History and Chemistry, so that it matches the outstanding achievement of the rest of the school.

Public Benefit

The trustees of Mayflower High School have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission. Activities undertaken to provide public benefit are set out in this report.

Mayflower High School
(A company limited by guarantee)

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

STRATEGIC REPORT

Achievements and Performance

GCSE

Mayflower High School is delighted to be able to report another excellent set of GCSE and BTEC results. In a year which saw all GCSE subjects being graded with the new numerical system of 9 to 1, 72% of students achieved 5 or more GCSEs at grades 9-4.

At a time when there has been a heightened emphasis on academic rigour, resulting in changes to examination courses, these results clearly indicate that standards have been well and truly maintained at Mayflower High School. Evidence of this is clear when we consider that approaching a third of all our examination entries, over six hundred separate results in number, achieved passes at grade 6 (B grade) or higher.

There have been many exceptional individual performances with 1 student recording the outstanding achievement of gaining 10 or more 9-7 (A*-A grades), with a further 4 students obtaining 9 grades at this level.

A Level

Mayflower High School has a long-standing reputation for achieving high academic standards. We are, therefore, delighted to announce that students this year have continued this tradition of success. We are particularly pleased to report that, at a time of continued increase in rigour and challenge in the examinations, the school has exceeded its externally-set competitive targets for the number of students that achieved A*, A and B grades. Twice the number of students targeted to receive A* or A grades achieved this exceptional level of attainment at A Level and approximately 20% of our leavers attained A*/A grades or their equivalent. These impressive individual performances reflect real dedication from both students and staff; a true cause for celebration. Thanks to their exemplary efforts in achieving these results, students from Mayflower High School will be embarking upon a wide range of degree courses at some of the country's most prestigious universities.

Key Performance Indicators

GCSE

GCSE Performance	2017 (target in brackets)	2018 (target in brackets)	2019 (target in brackets)	2020 target
Number of Year 11 Pupils	240	243 (240)	236 (239)	238
% 9-4 English & Maths	76% (78%)	71% (77%)	75% (78%)	80%
% 9-5 with English & Maths	51% (50%)	50% (56%)	46% (57%)	58%
English Baccalaureate [EBacc] 9-4	43% (40%)	40% (47%)	42% (45-50%)	
English Baccalaureate [EBacc] 9-5	37%	29% (40%)	27% (40-44%)	
% of students enter the EBacc	63% (63%)	66% (66%)	63% (64%)	64%
EBacc APS			4.46 (4.3 – 4.5)	4.4 - 4.7
P8	0.20 - 0.30	0.20 – 0.30	Not able to set	Not able to set
A8	48 (47 – 53)	51 (49 – 54)	49 (50 – 55)	50 - 55

Mayflower High School
(A company limited by guarantee)

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

Post 16

'A'-level results	2017 (target in brackets)	2018 (target in brackets)	2019 (target in brackets)	2020 target
% A*-E Pass	98.2% (100%)	99.3 (100%)	97.4 (100%)	99%
Av. pts score *	127 (135 (343))	127 (136)	111 (115 – 127)	
ALPS grade				4
% Higher Grade (A*-B)	50% (54%)	52% (52%)	44.7 (42 – 52%)	45-55%
% English	100% (78%)	(82%)	77% (92%)	86%
% Maths	45% (50%)	(89%)	29% (86%)	63%

*Targets from 2017 based on new APS tariff score

Absence, Attendance & Destinations

		2017	2018	2019	2020 Target
Absence	% of sessions missed	4.3%	3.7%	3.7%	3.7%
Persistent Absence	% of students who missed 10% or more	8.3%	tbc	0	4%
Fixed Term Exclusions	% of pupils excluded	0.1%	tbc	<0.8%	<0.8%

Attendance: School Improvement Targets by Year Group

Year Group	2017 (target in brackets)	2018 (target in brackets)	2019 (target in brackets)	2020 Target
Year 7	95.8% (96.5%)	95.7% (96.6%)	95.8% (96%)	96.3 - 97.0%
Year 8	95.7% (96.2%)	95.5% (96.2%)	95.1% (96.6%)	95.9 – 96.1%
Year 9	94.8% (96.0%)	94.6% (96%)	94.7% (96.2%)	95.0 – 95.8%
Year 10	95.0% (96.0%)	94.7% (96%)	94.9% (96%)	95.1 – 96.1%
Year 11	94.8% (96.1%)	95.4% (96%)	94.0% (96%)	95.9 – 96.6%

Percentage of Year 11 Students Staying in Education and Employment

Year	%
2017	93%
2016	99%

*Official numbers issued by DfE

Mayflower High School
(A company limited by guarantee)

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

Retention in Sixth Form (Year 12 into Year 13)

Year	%
2018	99%
2017	95%
2016	89%

Going Concern

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

FINANCIAL REVIEW

The main source of academy funding is GAG and other grants that it receives from the Education Funding Agency. In the year 2017/18 the academy received £8,813K of GAG and other funding. 83% of income is spent on wages salaries and support costs to deliver the academy's objective of the provision of education.

For the year 2018/19 an in year deficit budget was set, however the trust has reserves to support the in year deficit, with a detailed plan to reduce the in year deficits in the coming 2 years and to set a balanced budget going forward this is mainly due to the increase in pupil numbers. Unfortunately during the year the academy trust had to make considerable expenditure on unplanned maintenance works this included essential asbestos, urgent health and safety upgrades and IT expenditure. The net operating losses in year amounted to £279,573 unrestricted funds and £377,648 restricted funds leaving the trust with £496,746 reserves to carry forward at the end of the year, this is still well within the reserves policy set.

Unfortunately the trust did not receive any CIF funding for capital expenditure during the year 2018/19.

Due to the accounting rules for the local Government Pension Scheme under FRS 102, the academy is recognising a significant pension fund deficit of £5,216,000 This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employee and employers contributions over a number of years.

Reserves Policy

The Academy is required to consider what level of reserves it is appropriate for the school to hold in order to demonstrate appropriate financial management, stewardship and sustainability. The Governing Body wish to do this to provide assurance to all the Academy's stakeholders that the Academy is being managed in a prudent manner for the best interest of its beneficiaries. The Governing Body also wants to provide confidence that there is a strong justification for the reserves held by the Academy, and that they wish to be open and transparent in all aspects concerning the academies' Reserves Policy. In doing this the Academy has considered the following areas:

Working Capital

The Academy's cash flow is strong, due to the profile of its incoming resources. However due to future funding cuts and rising costs the Governing Body feel that the reserves carried forward from 2017/18 may need to be used partly for working capital in future years.

Mayflower High School
(A company limited by guarantee)

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

Financial risk management

All schools are subject to a wide range of risks, many of which have financial implications, and as such 'rainy day' funds are appropriate to be held as mitigation against the effect of such risks. The Academy has a formalised approach to risk management which identifies major risks, assesses their severity in terms of impact and likelihood and identifies mitigating actions. The financial risks that are mitigated by the holding of reserves include variability of income, variability of expenditure and the risks identified as serious, major or critical that have financial significance.

The Academy's policy for reserves is linked to, and part of, its formal consideration of the Academy's going concern presumption. The Governing Body annually consider the level of reserves it is appropriate for the Academy to hold in order to demonstrate appropriate financial management and sustainability.

During the year 2018/19 the Governing Body, having discussed likely risks, has decided to hold a level of reserves of £100,000 to cover any short-term cash flow variances.

The Governing Body acknowledge the need to set cash reserves aside to meet the risk of unforeseen events. Funding is relatively well assured, however there are concerns over the levels of funding in the coming years, this along with such risks that relate to the potential late receipt of funds and the need for emergency expenditure. In 2018/19 The Governing Body has considered these issues and agreed it prudent to reserve £100,000 - £500,000 to balance the books in future years. This is set out in the 3-5 year budget plan.

The reserves at the end of 2018/19 amount to £496,743 this is well within the policy range of £200,000 to £700,000 (£100k for cash flow variances and £100k- £500k to balance the books in future years)

The Academy also has an exposure to the Local Government Pension Scheme (LGPS) in respect of its share of the overall scheme deficit. This deficit is being settled through contributions determined by the scheme, funded from the Academy's regular income. The Local Government Pension Scheme operate a tri-annual valuation this may mean some fluctuation in the contribution rates in the future.. The negative pension reserve represents the Academy's long term pension liabilities, and on-going pension commitments are settled from revenue funding.

This policy will be reviewed annually.

At 31 August 2019 the total funds comprised:

Unrestricted		495,173
Restricted:	Fixed asset funds	8,040,811
	Pension reserve	(5,216,000)
	Other	1,573
		<hr/>
		3,321,557
		<hr/> <hr/>

Mayflower High School
(A company limited by guarantee)

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

Investment Policy

The end of the financial year 31 August 2019 sees the Academy holding a significant balance; however the intention is to make use of the funds to maintain the service provided by the school. The academy, therefore does not immediately need to invest funds to cover anticipated expenditure. Research is undertaken periodically as to where funds could be deposited applying prudence and with minimal risk.

Principal Risks and Uncertainties

The trustees maintain a risk register identifying major risks to which the academy is exposed and identifying actions and procedures to mitigate those risks. A review of the risk register is undertaken on an annual basis and is discussed by the finance committee. The principal risks facing the Academy are outlined below; operational level risks are addressed by its systems and by internal financial and other controls. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

A reduction in overall funding - Overall funding is dictated by government policy and student numbers. Both trends are carefully monitored and impact managed through the annual budget process. A 5 year budget plan is regularly refreshed in order to manage the position.

Pension Strain causing significant financial strain - It is written in the funding agreement that the academy must offer both the TPA to teaching staff and the LGPS to support staff. The LGPS are considering ways to lighten the burden on academies.

FUNDRAISING

The academy's approach to fundraising is the following. It is the preserve of the Full School Council who decides on the fundraising activities for each academic year. The school always supports the national charity events; namely, Children in Need, Comic Relief, Christmas Jumper Day. Personal charities for students or staff are then presented at a meeting for the council to vote. The successful ones are then adopted by the school. The school does not work with any professional fundraisers.

Monitoring of fundraising is closely monitored and controlled by the Assistant Headteacher: Student Welfare & standards. There have been no fundraising complaints during the year 2018-19. All students are invited to participate in fundraising activities but participation is always voluntary.

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

PLANS FOR FUTURE PERIODS

Curriculum

The academy will continue to focus its efforts as outlined in its school improvement plan the six key areas for development have been outlined as follows; Student Progress and outcomes, curriculum development, quality of teaching and learning, leadership and management, 16-19 provision and outcomes and personal development, behaviour and welfare.

Sixth form centre and catering facilities

The core aim of Mayflower High School is to maximise success, well-being and achievement in order to deliver 'outstanding' provision for all learners within a culture of equality, understanding and mutual respect. We aim to improve the quality of learning spaces to facilitate innovative and flexible approaches to learning and the provision of a balanced and engaging curriculum.

The specification for a Sixth Form Centre and additional Catering provision addresses three serious issues within the school, one of which is having to accommodate an increased number of students in the Sixth Form and provide provision for the increase in applications for Sixth Form places in line with raising of the participation age and the second is having a detrimental effect on teaching and learning. The third issue relates specifically to our current catering provision which is not adequate for our needs plus the requirement for the removal of the split lunch period.

Background

Sixth Form

In the past three years the number of students admitted to the Sixth Form has grown by 42% from 240 to 340 students. In addition to applications from Mayflower students into the Sixth Form, we regularly receive 90 applications from external students for Sixth Form places. Due to a lack of accommodation we are forced to cap the number of external entries in to the Sixth Form to only 20 per year. By increasing the Sixth Form to 340 in the past three years we now have a severe shortage of teaching accommodation across the school. Sixth Form applications are currently restricted as a result of the lack of accommodation available to teach extra classes and students. Whilst the teaching infrastructure has been able, in the past, to accommodate students who wished to join the Sixth Form, numbers are now severely limited by a lack of classrooms. As one of the top performing Sixth Forms in Essex, the results and success gained by Mayflower High school Sixth Form students, combined with the raising of the participation age, points to the demand for places increasing considerably in the future.

Catering

The current catering facility comprises of a very old kitchen which houses outdated equipment and requires a significant capital investment in order to provide a full hot food service for all students and staff. There is no discrete dining facility, therefore the school hall is used as a make shift dining provision for two hours a day which is a very ineffective use of this facility. All 11-16 students are not allowed off site during the extended two hour lunch period. During the lower school first lunch period, the upper school students are in lessons throughout the school, which creates significant issues related to student supervision and increased noise levels whilst lessons are being delivered. The cycle is repeated for the upper school lunch period. The provision of a second dining facility will enable the school to remove the split lunch and provide two venues for a lower and upper school service.

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

Challenges:

- Post 16 accommodation has reached capacity with limited ICT provision. Proposed future vocational L3 expansion will increase student numbers therefore placing additional demands on the current room allocation and facilities. Current common room and study support accommodation is insufficient to meet current demands.
- The disjointed nature of rooming for core faculty areas needs to be addressed. Fragmented faculties create difficulties in organisation and communications for staff and students. The school will be seeking design solutions that allow for all curriculum areas to be located together.
- There is a lack of 'flexible' learning space and spaces which are able to facilitate a growing range of learning and teaching styles, group interaction and multi-media resourcing. There is currently limited space which is suitable for independent learning, research and investigation.
- ICT provision is inadequate and sporadically distributed across teaching rooms. Access provision is inconsistent across subject areas, with limited opportunities for the delivery of discrete or subject specific ICT

Strategy:

- A Level courses are successful and popular and we would wish to maintain and enrich this area but we would also want to extend the range of vocational courses to appeal to a wider range of students. Currently it tends to be the least able and disengaged who take up vocational courses, mostly at college. We would want to explore and research courses and qualifications which encourage all learners to consider a wide range of possibilities on-site.
- Increase applied learning opportunities for students with a range of abilities with the possibility of Business Studies being a focal point for development and expertise. To enhance the Business Studies element of our offer we would require international conferencing/communication facilities. We envisage professional-looking facilities with a business-like environment.
- To provide a wide range of different learning experiences within appropriate bespoke spaces. Traditional classrooms, social spaces with potential for independent and group learning activities.
- Using innovative new technologies as a tool to enhance personalised learning and improve management systems, we aim to maximise success, well-being and achievement in order to deliver 'outstanding' ICT provision for all learners.

Key priorities:

- Address the disjointed nature of rooming for faculty areas. Fragmented faculties create difficulties in organisation and communications for staff and students.

Mayflower High School
(A company limited by guarantee)

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

- Provide fit-for-purpose learning spaces which successfully accommodate creative and effective group-work techniques as well as a variety of approaches such as students as teachers and facilitators, enrichment programmes and accelerated pathways.
- To extend the provision of alternative pathways to foster a breadth and range of skills to match the shift in the employment market. Currently, we offer a small but successful range of alternative pathways. We would want to build on our strengths (KS4 learning builds well from KS3 foundations) and use them as a foundation to broaden the 'menu' we offer.
- To increase our vocational offer; vocational courses expansion not currently possible due to lack of space, environmental issues, the lack of capacity within the ICT infrastructure and competition from better resourced local colleges.
- To overcome the problem of increased Sixth Form numbers and lack of accommodation.
- To increase the Post 16 intake to 350
- To provide a 10-classroom block with ground floor catering (multi-functional), common room (learning space), office(s) and staff workroom
- Provide fit-for-purpose catering facility to accommodate the needs of at least 600 students and dual use for curriculum lessons or meetings venue.
- Provision of a catering service throughout the working day
- Additional common room (learning space) facility for Sixth Form students with Wi-Fi connectivity
- Review format /structure of the school day to enable the removal of the split lunch

Mayflower High School
(A company limited by guarantee)

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

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

There are no assets subject to custodian arrangements.

AUDITOR

Insofar as the trustees are aware:

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

Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 9th December 2019 and signed on the board's behalf by:



.....
S Wright
Chair of Trustees

Mayflower High School
(A company limited by guarantee)

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

SCOPE OF RESPONSIBILITY

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

The board of trustees has delegated the day-to-day responsibility to the head teacher 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 Mayflower High School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 3 times during the year, this is supplemented by meetings of sub committees throughout the year. Attendance during the year at meetings of the full board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
L Brumby (Headteacher and Accounting Officer)	2	3
L Beavon	1	1
A Butler (resigned (20/12/2019)	0	1
T Fox (Staff Governor)	3	3
D Hayhow	3	3
G Henderson (appointed 1/12/2019)	1	1
A Hunter	3	3
S Lister	3	3
F MacLeod (resigned 11/12/2018)	0	1
I Mitchell (resigned 31/12/2018)	1	1
N Morris	3	3
P Sharp	3	3
B Stansfield (appointed 1/6/2019)	1	1
A Stephens (resigned 27/09/2018)	0	0
J Underwood (resigned 20/01/2019)	0	1
L Whitworth	3	3
A Wilson	3	3
S Wright (Chairman)	3	3

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

There have been no key changes in the board of trustees during the year, although we have 2 new governors, both have taken up roles within the board of trustees based on their skills as identified. The key challenges for the board of trustees throughout the year have been to work within the confines of a reducing income and to set future plans to ensure that the academy does not fall into a deficit situation.

The Chair of Governors meets with the chairs of the various committees periodically to review governance. The group considers the board's skill set, its training record, its independence, and its effectiveness in scrutiny and decision taking. These discussions inform decisions about recruitment and training, and during the course of this year Essex Governor Services delivered a training module designed to ensure a minimum level of competence for all. The board is currently considered to achieve a high standard of effectiveness.

Trustees receive data from the senior leadership team that is up to date and reliable. Financial information is presented to the Finance and Premises Committee of the governing body at each of its 6 meetings thorough the year. Monthly reports are presented to the chair of governors and the chair of the finance committee on a monthly basis. Curriculum data is presented at each of the 3 curriculum committee meetings. The quality of the data presented is monitored to ensure that the information is gained from reliable sources, complete and is the most up to date available.

The Finance and Premises Committee is a sub-committee of the main board and its purpose described within its Terms of Reference below.

On behalf of the Governing Body:

1. To consider the academy's indicative funding, notified annually by the DfE, and to assess its implications to the for the academy, in consultation with the Headteacher and Business Manager, in advance of the financial year, drawing any matters of significance or concern to the attention of the governing body
2. To consider and recommend acceptance/revision of the Academy's budget, at the start of each financial year
3. To contribute to the formulation of the academy's improvement plan, through the consideration of financial priorities and proposals, in consultation with the Headteacher and SLT, with the stated and agreed aims and objectives of the academy
4. To receive and make recommendations on the broad budget headings and areas of expenditure to be adopted each year, including the level and use of any contingency fund or balances, ensuring the compatibility of all such proposals with the improvement priorities set out in the improvement plan
5. To liaise with the Pay Committee and other governing body committee, as appropriate, and to make recommendations to those committees about the financial aspects of matters being considered by them. And to agree budgets within which these committees may operate
6. To monitor and review income and expenditure on a regular basis and ensure compliance with the overall financial plan for the academy, and with the financial regulations of the DfE, drawing any matters of concern to the governing body
7. To monitor and review procedures for ensuring the effective implementation and operation of financial procedures, on a regular basis, including the implementation of bank account arrangements and, where appropriate to make recommendations for improvement
8. To prepare the financial statement to form part of the report to be filed in accordance with the Companies Act and DfE requirements

Mayflower High School
(A company limited by guarantee)

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

9. To receive and approve the Draft Accounts. To review and recommend to the Full Governing Body the Final Accounts
10. To receive Auditor's reports and to recommend to the full governing body action as appropriate in response to audit findings; acting as and subsuming the role of the Audit Committee
11. To recommend to the full governing body the appointment or reappointment of the auditors of the academy
12. To recognise that where exception decisions must be taken outside of the usual committee timetable that communication and decisions by email will be accepted.
13. To advise the Governing Body on priorities, including Health & Safety and Well-Being, for the maintenance and development of the school's premises.
14. To make recommendations on premises-related expenditure outside of the fixed budget.
15. In consultation with the Headteacher, oversee premises-related funding bids.
16. To monitor and promote arrangements, including Health & Safety and well-being, for the use of school premises by outside users, subject to governing body policy and in furtherance of community cohesion.
17. To establish and keep under review a 5-year Asset Management Plan.
18. To establish, revise, and keep under review, an Accessibility Plan.
19. To make recommendations for action to the Governing Body for any significant change to the land or buildings of the school.
20. To maintain the Risk Register and ensure appropriate mitigating actions, referring any significant concerns to the Full Governing Body

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
L Brumby (Headteacher and Officer)	6	6
T Fox	6	6
B Stansfield	0	1
D Hayhow	2	6
A Hunter	6	6
S Lister	5	6
F MacLeod	0	2
I Mitchell	2	2
P Sharp	5	6
A Wilson	5	6
S Wright	3	6

Mayflower High School
(A company limited by guarantee)

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

REVIEW OF VALUE FOR MONEY

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

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

- ensuring that funds received have been spent in line with the budget set
- being aware that education funding is reducing, ensuring there is a suitable carry forward to cover all eventualities
- All areas of expenditure are scrutinised to ensure they are truly adding value
- retentions are held against large contracts to ensure that work is carried out to a satisfactory standard

- Using integrated Curriculum and financial planning and ensuring the budget ties back to the school improvement plan continuing to review the staffing structure to ensure best value and sustainability

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Mayflower High School for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

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

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1st September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE RISK AND CONTROL FRAMEWORK

The academy trust's system of internal financial control is based on 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 board of Trustees
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The board of Trustees has considered the need for a specific internal audit function and has decided:

Essex County Council Education Finance team offer an internal audit service referred to as the Internal Controls Evaluation (ICE). Standard internal controls Evaluation (ICE) templates are used to review and test an academy's internal controls and procedures. These templates are used to review and test an academy's internal controls and procedures. These templates are regularly reviewed and updated to incorporate legislative changes, updated ESFA guidance and guidance offered by statutory auditors. These templates are designed to provide governors of academies with a level assurance that appropriate financial controls are in place and include testing of adherence to the approved schemes of delegation of financial power and compliance with the Academies Financial Handbook.

Mayflower High School
(A company limited by guarantee)

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

THE RISK AND CONTROL FRAMEWORK (continued)

The internal auditors role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included:

- Governance and financial management
- Banking
- Payroll and expenses
- Governance and financial reporting
- Income
- Assets

On a termly basis the ICE Consultant produces a report for the board of trustees, dealt with through the Finance Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The Internal audit schedule has delivered their schedule of work as planned during the year.

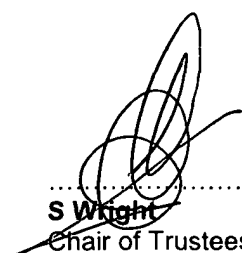
REVIEW OF EFFECTIVENESS

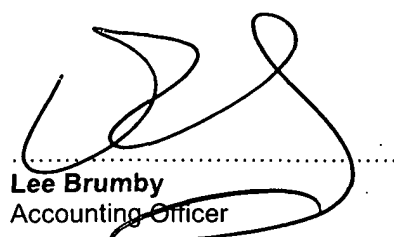
As accounting officer the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within the academy trust 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 finance committee and a plan to address any weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of Trustees on 9 December 2019 and signed on its behalf by:


.....
S Wright
Chair of Trustees



.....
Lee Brumby
Accounting Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Mayflower High School I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

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

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


L Brumby
Accounting Officer
Date:

9/12/19

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

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

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

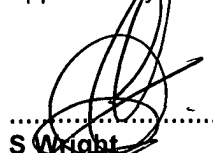
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

Approved by order of the members of the board of Trustees and signed on its behalf by:


.....
S Wright
Chair of Trustees

9/12/19

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
MAYFLOWER HIGH SCHOOL**

Opinion

We have audited the financial statements of Mayflower High School (the 'Academy Trust') for the year ended 31 August 2019 which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Other information includes the Reference and Administrative details, Trustees' Report, incorporating the Strategic Report and the Directors' Report, the Governance Statement, the Statement on Regularity, Propriety and Compliance and the Trustees' Responsibilities Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (incorporating the Strategic Report and the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements and.
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

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

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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



Sudhir Singh FCA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants

Statutory Auditors

New Bridge Street House

30-34 New Bridge Street

London

EC4V 6BJ

Date: 19/12/19

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MAYFLOWER HIGH SCHOOL AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 4 October 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Mayflower High School during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Mayflower High School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Mayflower High School's funding agreement with the Secretary of State for Education dated 1 August 2011 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

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

Approach

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

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

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

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

The work undertaken to draw our conclusions includes:

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

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

MHA MacIntyre Hudson

Reporting Accountant

MHA MacIntyre Hudson

New Bridge Street House
30-34 New Bridge Street
London
EC4V 6BJ

Date: 19/12/19

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

		Unrestricted funds 2019 £	Restricted general funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
	Note					
Income from:						
Donations and capital grants	4	39,263	-	113,492	152,755	641,959
Charitable activities	5	985,616	7,951,132	-	8,936,748	8,824,655
Other trading activities	6	74,607	-	-	74,607	39,298
Investments	7	714	-	-	714	785
Total income		1,100,200	7,951,132	113,492	9,164,824	9,506,697
Expenditure on:						
Raising funds		13,628	-	-	13,628	32,458
Charitable activities	9	1,366,145	8,328,780	448,209	10,143,134	9,928,016
Total expenditure	8	1,379,773	8,328,780	448,209	10,156,762	9,960,474
Net expenditure		(279,573)	(377,648)	(334,717)	(991,938)	(453,777)
Transfers between funds	19	(16,746)	(35,341)	52,087	-	-
Net movement in funds before other recognised gains/(losses) carried forward		(296,319)	(412,989)	(282,630)	(991,938)	(453,777)

MAYFLOWER HIGH SCHOOL
(A Company Limited by Guarantee)

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

		Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
	Note					
Net movement in funds before other recognised losses brought forward		(296,319)	(412,989)	(282,630)	(991,938)	(453,777)
Other recognised gains/(losses):						
Actuarial (losses)/gains on defined benefit pension schemes	25	-	(651,000)	-	(651,000)	935,000
Net movement in funds		(296,319)	(1,063,989)	(282,630)	(1,642,938)	481,223
Reconciliation of funds:						
Total funds brought forward		791,492	(4,150,438)	8,323,441	4,964,495	4,483,272
Net movement in funds		(296,319)	(1,063,989)	(282,630)	(1,642,938)	481,223
Total funds carried forward		495,173	(5,214,427)	8,040,811	3,321,557	4,964,495

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

The notes on pages 35 to 65 form part of these financial statements.

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	14	8,195,851	8,515,386
		<u>8,195,851</u>	<u>8,515,386</u>
Current assets			
Stocks	15	10,475	9,229
Debtors	16	181,213	181,005
Cash at bank and in hand	24	752,612	1,259,747
		<u>944,300</u>	<u>1,449,981</u>
Creditors: amounts falling due within one year	17	(465,894)	(664,426)
Net current assets		<u>478,406</u>	<u>785,555</u>
Total assets less current liabilities		<u>8,674,257</u>	<u>9,300,941</u>
Creditors: amounts falling due after more than one year	18	(136,700)	(168,446)
Net assets excluding pension liability		<u>8,537,557</u>	<u>9,132,495</u>
Defined benefit pension scheme liability	25	(5,216,000)	(4,168,000)
Total net assets		<u><u>3,321,557</u></u>	<u><u>4,964,495</u></u>

MAYFLOWER HIGH SCHOOL
(A Company Limited by Guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2019

	Note	2019 £	2018 £
Funds of the Academy Trust			
Restricted funds:			
Restricted fixed asset funds	19	8,040,811	8,323,441
Restricted general funds	19	1,573	17,562
Restricted funds excluding pension liability	19	8,042,384	8,341,003
Restricted general funds - Pension reserve	19	(5,216,000)	(4,168,000)
Total restricted funds	19	2,826,384	4,173,003
Unrestricted funds	19	495,173	791,492
Total funds		3,321,557	4,964,495

The financial statements on pages 30 to 65 were approved by the Trustees, and authorised for issue and are signed on their behalf, by:

.....
S Wright
 Chair of Trustees
 Date: 9/12/19

The notes on pages 35 to 65 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash used in operating activities	21	(475,921)	(749,837)
Cash flows from investing activities	23	(14,468)	119,672
Cash flows from financing activities	22	(16,746)	146,736
Change in cash and cash equivalents in the year		(507,135)	(483,429)
Cash and cash equivalents at the beginning of the year		1,259,747	1,743,176
Cash and cash equivalents at the end of the year	24	752,612	1,259,747

The notes on pages 35 to 65 form part of these financial statements

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

1. General information

Mayflower High School is a company limited by guarantee incorporated in England and Wales. The address of the registered office and principal place of operation are detailed on page 1. The nature of the Academy Trust's operations and principal activity are detailed in the Trustees' Report.

2. Accounting policies

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

2.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Mayflower High School constitutes a public benefit entity as defined by FRS 102. The financial statements are presented in pounds which is the functional currency of the Academy Trust and rounded to the nearest whole pound.

2.2 Going concern

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

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

2. Accounting policies (continued)

2.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

2.4 Expenditure

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

• **Expenditure on raising funds**

This includes all expenditure incurred by the Academy Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

• **Charitable activities**

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

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

2. Accounting policies (continued)

2.4 Expenditure (continued)

All resources expended are inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.7 Tangible fixed assets and depreciation

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

The estimated useful lives are as follows:

Freehold property	- 20 years straight line
Plant and machinery	- 5 years straight line
Computer equipment	- 3 years straight line
Motor vehicles	- 5 years straight line

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

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

2. Accounting policies (continued)

2.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.11 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 Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.12 Provisions

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

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

2.13 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. 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.

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

2. Accounting policies (continued)

2.14 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.15 Pensions

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

The Academy Trust is a member of a multi-employer plan. Where it is not possible for the Academy Trust to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

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

2. Accounting policies (continued)

2.16 Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 Bursary Funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The Academy Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. Where funds have not been fully applied in the accounting period then an amount will be included as amounts due to the ESFA.

2.17 Fund accounting

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

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

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

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

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

3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, 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 2013 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Any changes in the valuation of freehold property would impact the total net assets of the Academy Trust.

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

4. Income from donations and capital grants

	Unrestricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Donations	39,263	-	39,263
Capital grants	-	113,492	113,492
Total 2019	39,263	113,492	152,755
	Unrestricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Donations	25,682	-	25,682
Capital grants	-	616,277	616,277
Total 2018	25,682	616,277	641,959

5. Charitable activities - Funding for the Academy Trust's educational operations

	Unrestricted funds 2019 £	Restricted general funds 2019 £	Total funds 2019 £
DfE/ESFA grants			
General Annual Grant (GAG)	-	7,539,063	7,539,063
Pupil premium	-	105,227	105,227
Other DfE/ESFA Grants	-	104,175	104,175
	-	7,748,465	7,748,465
Other government grants			
Local Authority Grants	-	202,667	202,667
	-	202,667	202,667
Other funding			
Other Educational income	985,616	-	985,616
Total 2019	985,616	7,951,132	8,936,748

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

5. Charitable activities - Funding for the Academy Trust's educational operations (continued)

	Unrestricted funds 2018 £	Restricted general funds 2018 £	Total funds 2018 £
DfE/ESFA grants			
General Annual Grant (GAG)	-	7,525,694	7,525,694
Pupil Premium	-	103,193	103,193
Other DfE / ESFA revenue grants	-	9,589	9,589
	-	7,638,476	7,638,476
Other government grants			
Local Authority revenue grants	-	192,827	192,827
	-	192,827	192,827
Other funding			
Other Educational income	611,574	381,778	993,352
Total 2018	611,574	8,213,081	8,824,655

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

6. Income from other trading activities

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Other self generated income	74,607	74,607	39,298

In 2018, all income from other trading activities was allocated to Unrestricted funds.

7. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank interest receivable	714	714	785

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

7. Investment income (continued)

In 2018 all Income from investments was allocated to Unrestricted funds

8. Total expenditure

	Staff Costs 2019 £	Premises costs 2019 £	Other costs 2019 £	Total 2019 £
Expenditure on raising funds:				
Allocated support costs	352	-	13,276	13,628
Educational operations:				
Direct costs	6,491,730	-	1,319,105	7,810,835
Allocated support costs	1,442,845	432,383	457,071	2,332,299
Total 2019	7,934,927	432,383	1,789,452	10,156,762

	Staff Costs 2018 £	Premises costs 2018 £	Other costs 2018 £	Total 2018 £
Expenditure on raising funds:				
Direct costs	-	-	13,628	13,628
Allocated support costs	14,861	-	17,597	32,458
Educational operations:				
Direct costs	6,260,324	-	1,216,980	7,477,304
Allocated support costs	1,382,997	579,933	487,782	2,450,712
Total 2018	7,658,182	579,933	1,722,359	9,960,474

In 2018, of the total expenditure of £9,960,474, £891,283 was from unrestricted funds, £8,604,365 was from restricted general funds and £464,826 was from restricted fixed asset funds.

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

9. Analysis of expenditure by charitable activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £
Educational operations	7,810,835	2,332,299	10,143,134

	Activities undertaken directly 2018 £	Support costs 2018 £	Total funds 2018 £
Educational operations	7,477,304	2,450,712	9,928,016

Analysis of support costs

	Educational operations 2019 £	Total funds 2019 £	Total funds 2018 £
Defined benefit pension scheme finance cost	107,000	107,000	120,000
Staff costs	1,335,845	1,335,845	1,262,997
Depreciation	448,209	448,209	402,321
Premises costs	327,689	327,689	579,933
Other costs	85,723	85,723	67,617
Governance costs	27,833	27,833	17,844
Total 2019	2,332,299	2,332,299	2,450,712

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

10. Net expenditure

Net expenditure for the year includes:

	2019 £	2018 £
Operating lease rentals	17,477	5,366
Depreciation of tangible fixed assets	448,209	402,321
Fees paid to auditors for:		
- Audit of the financial statements	9,975	9,675
- Other services	6,750	6,650
	<u> </u>	<u> </u>

11. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	5,778,421	5,643,483
Social security costs	575,119	560,393
Pension costs	1,300,242	1,237,564
	<u>7,653,782</u>	<u>7,441,440</u>
Agency staff costs	174,145	81,170
Staff restructuring costs	-	15,572
Defined benefit pension scheme finance cost	107,000	120,000
	<u>7,934,927</u>	<u>7,658,182</u>

Staff restructuring costs comprise:

	2019 £	2018 £
Redundancy payments	-	5,572
Severance payments	-	10,000
	<u> </u>	<u>15,572</u>

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2018 - £11,859).

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

11. Staff costs (continued)

c. Staff numbers

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

	2019	2018
	No.	No.
Teachers	105	104
Administration and support	122	123
Management	10	10
	237	237

d. Higher paid staff

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

	2019	2018
	No.	No.
In the band £60,001 - £70,000	4	2
In the band £100,001 - £110,000	1	1
In the band £140,001 - £150,000	1	1

All of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2019 pension contributions for these staff amounted to £83,801 (2018 - £63,292).

e. Key management personnel

The Key Management Personnel of the Academy Trust comprise the Trustees, the Headteacher, the Deputy Headteacher and the Business Manager listed on page 1. The total amount of employee benefits (including employer national insurance and employer pension contributions) received by Key Management Personnel for their services to the Academy Trust was £470,747 (2018 - £448,186).

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

12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2019	2018
		£	£
L Brumby, Head Teacher and Accounting Officer	Remuneration	145,000 -	145,000 -
		150,000	150,000
	Pension contributions paid	20,000 -	25,000 -
		25,000	30,000
A Butler, Staff Trustee (resigned 20 December 2018)	Remuneration	0 - 5,000	10,000 -
			15,000
	Pension contributions paid	0 - 5,000	0 - 5,000
T Fox, Staff Trustee	Remuneration	50,000 -	45,000 -
		55,000	50,000
	Pension contributions paid	5,000 -	5,000 -
		10,000	10,000
N Feltimo, Staff Trustee (resigned 13 March 2018)	Remuneration	-	35,000 -
			40,000
	Pension contributions paid	-	5,000 -
			10,000

During the year ended 31 August 2019, no Trustee expenses have been incurred (2018 - £NIL).

13. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2019 was £435 (2018 - £419). The cost of this insurance is included in the total insurance cost.

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

14. Tangible fixed assets

	Freehold property £	Plant and machinery £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2018	10,895,609	64,845	335,110	-	11,295,564
Additions	-	95,965	23,980	8,729	128,674
At 31 August 2019	10,895,609	160,810	359,090	8,729	11,424,238
Depreciation					
At 1 September 2018	2,456,149	50,464	273,565	-	2,780,178
Charge for the year	409,680	12,969	24,212	1,348	448,209
At 31 August 2019	2,865,829	63,433	297,777	1,348	3,228,387
Net book value					
At 31 August 2019	8,029,780	97,377	61,313	7,381	8,195,851
At 31 August 2018	8,439,460	14,381	61,545	-	8,515,386

Included in Freehold property is a valuation of land £2,702,000 (2018 - £2,702,000) which is not depreciated.

The freehold property was valued on 1st August 2011 by a RICS Registered Valuer using the Depreciated Replacement Cost method.

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

15. Stocks

	2019	2018
	£	£
Uniform	10,475	9,229

16. Debtors

	2019	2018
	£	£
Due within one year		
Trade debtors	8,085	1,520
Other debtors	48,187	35,773
Prepayments and accrued income	124,941	143,712
	181,213	181,005

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

17. Creditors: Amounts falling due within one year

	2019 £	2018 £
Other loans	18,340	3,340
Trade creditors	16,613	107,920
Other taxation and social security	143,049	145,656
Other creditors	131,435	121,640
Accruals and deferred income	156,457	285,870
	<u>465,894</u>	<u>664,426</u>
	2019 £	2018 £
Deferred Income		
Deferred income at 1 September 2018	205,137	132,292
Resources deferred during the year	84,351	205,137
Amounts released from previous periods	(205,137)	(132,292)
Deferred income at 31 August 2019	<u>84,351</u>	<u>205,137</u>

At the Balance Sheet date the Academy Trust was holding funds received in advance for:

- Catering income received in advance of the Autumn 2019 term;
- Income received for educational visits taking place in 2019/20;
- Rental income paid in advance of the Autumn 2019 term; and
- ESFA rates relief grant received in advance.

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

18. Creditors: Amounts falling due after more than one year

	2019	2018
	£	£
Other loans	136,700	168,446

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2019	2018
	£	£
Payable or repayable by instalments	62,637	127,572
	62,637	127,572

Included within loans is an Energy Efficiency loan which was repayable over eight years via sixteen biannual payments of £1,670. One payment of £1,670 was made during 2019, leaving £20,040 (2018 - £21,710) outstanding at the balance sheet date. A balance of £3,340 is included in creditors: amounts falling due within one year and £16,700 is included within creditors: amounts falling due after more than one year. No interest is payable on the loan.

Included within loans is a CIF loan repayable over ten years via 120 monthly payments of £1,250. During 2019 a total of £15,000 was repaid, leaving £135,000 outstanding at the balance sheet date. A balance of £15,000 is included in creditors: amounts falling due within one year and £120,000 is included within creditors: amounts falling due after more than one year.

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

19. Statement of funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
Unrestricted general funds	791,492	1,100,200	(1,379,773)	(16,746)	-	495,173
Restricted general funds						
General Annual Grant (GAG)	-	7,539,063	(7,503,722)	(35,341)	-	-
Pupil Premium	17,562	119,582	(137,144)	-	-	-
Other DfE / ESFA revenue grants	-	104,175	(102,602)	-	-	1,573
Local Authority revenue grants	-	188,312	(188,312)	-	-	-
Pension reserve	(4,168,000)	-	(397,000)	-	(651,000)	(5,216,000)
	<u>(4,150,438)</u>	<u>7,951,132</u>	<u>(8,328,780)</u>	<u>(35,341)</u>	<u>(651,000)</u>	<u>(5,214,427)</u>
Restricted fixed asset funds						
NBV of fixed assets	8,515,386	-	(448,209)	128,674	-	8,195,851
DfE / ESFA capital grants	(20,159)	113,492	-	(93,333)	-	-
Loans	(171,786)	-	-	16,746	-	(155,040)
	<u>8,323,441</u>	<u>113,492</u>	<u>(448,209)</u>	<u>52,087</u>	<u>-</u>	<u>8,040,811</u>
Total Restricted funds	<u>4,173,003</u>	<u>8,064,624</u>	<u>(8,776,989)</u>	<u>16,746</u>	<u>(651,000)</u>	<u>2,826,384</u>
Total funds	<u>4,964,495</u>	<u>9,164,824</u>	<u>(10,156,762)</u>	<u>-</u>	<u>(651,000)</u>	<u>3,321,557</u>

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

19. Statement of funds (continued)

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

The Unrestricted General fund represents the income and expenditure for which no fund restrictions apply. A transfer of £16,746 was made to the Loans fund reflecting repayments made during the year.

The General Annual Grant (GAG) represents the core funding for the educational activities of the Academy Trust via the Education and Skills Funding Agency (ESFA) by the Department for Education (DfE). The GAG fund has been set up because the GAG must be used for the normal running costs of the Academy Trust. During the year a transfer of £35,341 was made from this fund to the NBV of fixed assets fund to reflect capital additions bought with GAG funds.

The Pupil Premium fund represents the restricted funding from the Education and Skills Funding Agency to raise the attainment of disadvantaged pupils and close the gap between them and their peers.

The Other DfE/ESFA revenue grants fund represents the restricted funding received from the DfE/ESFA for specific purposes.

The Local Authority revenue grants fund represents the income received from Essex County Council as a contribution towards the cost of the Academy Trust's revenue expenditure.

The Other Activities fund has been set up to recognise all other restricted funding for specific purposes.

The LGPS Pension reserve fund has been created to separately identify the pension deficit inherited from the Local Authority upon conversion to Academy Trust status, and through which pension scheme movements are recognised. The fund is in deficit, but given the nature of the liability this is not payable immediately. Plans are in place to meet the deficit.

The NBV of Fixed Assets fund represents the tangible fixed assets held by the Academy Trust and is equivalent to the NBV of tangible fixed assets. Depreciation of tangible fixed assets is allocated to this fund. The transfer of £128,674 represents capital additions purchased from both capital and GAG funds.

The DfE/ESFA Capital Grants fund has been set up to recognise specific capital grant funding. As capital expenditure is made from this fund a transfer is made to the NBV of fixed assets fund. During the year a transfer of £93,333 was made to the NBV of fixed assets fund for this purpose.

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

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

19. Statement of funds (continued)

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General funds	1,005,436	677,339	(891,283)	-	-	791,492
Restricted general funds						
General Annual Grant (GAG)	-	7,525,694	(7,534,332)	8,638	-	-
Pupil Premium	17,208	103,193	(102,839)	-	-	17,562
Other DfE / ESFA revenue grants	-	9,589	(9,589)	-	-	-
Local Authority revenue grants	-	192,827	(192,827)	-	-	-
Revaluation reserve	-	381,778	(381,778)	-	-	-
Pension reserve	(4,720,000)	-	(383,000)	-	935,000	(4,168,000)
	<u>(4,702,792)</u>	<u>8,213,081</u>	<u>(8,604,365)</u>	<u>8,638</u>	<u>935,000</u>	<u>(4,150,438)</u>
Restricted fixed asset funds						
NBV of fixed assets	8,180,628	-	(402,321)	737,079	-	8,515,386
DfE / ESFA capital grants	-	616,277	(62,505)	(745,717)	-	(191,945)
	<u>8,180,628</u>	<u>616,277</u>	<u>(464,826)</u>	<u>(8,638)</u>	<u>-</u>	<u>8,323,441</u>
Total Restricted funds	<u>3,477,836</u>	<u>8,829,358</u>	<u>(9,069,191)</u>	<u>-</u>	<u>935,000</u>	<u>4,173,003</u>
Total funds	<u><u>4,483,272</u></u>	<u><u>9,506,697</u></u>	<u><u>(9,960,474)</u></u>	<u><u>-</u></u>	<u><u>935,000</u></u>	<u><u>4,964,495</u></u>

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

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted general funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	8,195,851	8,195,851
Current assets	942,727	1,573	-	944,300
Creditors due within one year	(447,554)	-	(18,340)	(465,894)
Creditors due in more than one year	-	-	(136,700)	(136,700)
Defined benefit pension scheme liability	-	(5,216,000)	-	(5,216,000)
Total	495,173	(5,214,427)	8,040,811	3,321,557

Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £	Restricted general funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	8,515,386	8,515,386
Current assets	791,492	658,489	-	1,449,981
Creditors due within one year	-	(622,557)	(41,869)	(664,426)
Creditors due in more than one year	-	(18,370)	(150,076)	(168,446)
Defined benefit pension scheme liability	-	(4,168,000)	-	(4,168,000)
Total	791,492	(4,150,438)	8,323,441	4,964,495

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

21. Reconciliation of net expenditure to net cash flow from operating activities

	2019 £	2018 £
Net expenditure for the year (as per Statement of Financial Activities)	(991,938)	(453,777)
Adjustments for:		
Depreciation	448,209	402,321
Capital grants from DfE and other capital income	(113,492)	(855,966)
Investment income	(714)	(785)
Defined benefit pension scheme cost less contributions payable	290,000	263,000
Defined benefit pension scheme finance cost	107,000	120,000
Increase in stocks	(1,246)	(2,768)
(Increase)/decrease in debtors	(208)	190,433
Decrease in creditors	(213,532)	(412,295)
Net cash used in operating activities	(475,921)	(749,837)

22. Cash flows from financing activities

	2019 £	2018 £
Cash inflows from new borrowing	-	150,076
Repayments of borrowing	(16,746)	(3,340)
Net cash (used in)/provided by financing activities	(16,746)	146,736

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

23. Cash flows from investing activities

	2019	2018
	£	£
Investment income	714	785
Purchase of tangible fixed assets	(128,674)	(737,079)
Capital grants from DfE Group	113,492	855,966
Net cash (used in)/provided by investing activities	(14,468)	119,672

24. Analysis of cash and cash equivalents

	2019	2018
	£	£
Cash in hand	752,612	1,259,747
Total cash and cash equivalents	752,612	1,259,747

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

25. Pension commitments

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

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

Contributions amounting to £94,160 were payable to the schemes at 31 August 2019 (2018 - £119,706) and are included within creditors.

Teachers' Pension Scheme

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

The Teachers' Pension Budgeting and Valuation Account

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

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

Valuation of the Teachers' Pension Scheme

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

A copy of the latest valuation report can be found by following this link to the Teachers' Pension Scheme website.

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

25. Pension commitments (continued)

Scheme Changes

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

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

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

The employer's pension costs paid to the TPS in the year amounted to £687,000 (2018 - £684,389).

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £410,000 (2018 - £369,637), of which employer's contributions totalled £323,000 (2018 - £291,050) and employees' contributions totalled £ 87,000 (2018 - £78,587). The agreed contribution rates for future years are 24.1 per cent for employers and 5.5 - 12.5 per cent for employees.

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

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

25. Pension commitments (continued)

Principal actuarial assumptions

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

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

	2019	2018
	Years	Years
<i>Retiring today</i>		
Males	21.3	22.3
Females	23.6	24.8
<i>Retiring in 20 years</i>		
Males	23.0	24.5
Females	25.4	27.1

Sensitivity analysis

	2019	2018
	£000	£000
Discount rate +0.1%	(204)	(167)
Discount rate -0.1%	209	171
Mortality assumption - 1 year increase	373	257
Mortality assumption - 1 year decrease	(359)	(249)

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

25. Pension commitments (continued)

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

	At 31 August 2019 £	At 31 August 2018 £
Equities	2,592,000	2,246,000
Gilts	226,000	189,000
Other bonds	231,000	206,000
Property	329,000	315,000
Cash and other liquid assets	120,000	120,000
Other managed funds	211,000	136,000
Alternative assets	403,000	317,000
Total market value of assets	4,112,000	3,529,000

The actual return on scheme assets was £306,000 (2018 - £200,000).

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

	2019 £	2018 £
Current service cost	(523,000)	(555,000)
Past service cost	(90,000)	-
Interest income	96,000	82,000
Interest cost	(203,000)	(202,000)
Total amount recognised in the Statement of Financial Activities	(720,000)	(675,000)

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

	2019 £	2018 £
At 1 September	7,697,000	7,785,000
Current service cost	523,000	555,000
Interest cost	203,000	202,000
Employee contributions	87,000	82,000
Actuarial losses/(gains)	860,000	(818,000)
Benefits paid	(132,000)	(109,000)
Past service costs	90,000	-
At 31 August	9,328,000	7,697,000

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

25. Pension commitments (continued)

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

	2019 £	2018 £
At 1 September	3,529,000	3,065,000
Interest income	96,000	82,000
Actuarial gains	209,000	117,000
Employer contributions	323,000	292,000
Employee contributions	87,000	82,000
Benefits paid	(132,000)	(109,000)
At 31 August	4,112,000	3,529,000

Reconciliation of opening to closing Defined Benefit Pension Scheme liability

	2019 £	2018 £
Balance brought forward at 1 September	4,168,000	4,720,000
Defined benefit pension scheme cost less contributions payable	290,000	263,000
Defined benefit pension scheme finance cost	107,000	120,000
Actuarial losses / (gains)	651,000	(935,000)
Balance carried forward at 31 August	5,216,000	4,168,000

The amounts recognised in the Balance Sheet are as follows:

	2019 £	2018 £
Present value of the defined benefit obligation	(9,328,000)	(7,697,000)
Fair value of scheme assets	4,112,000	3,529,000
Defined benefit pension scheme liability	(5,216,000)	(4,168,000)

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

26. Operating lease commitments

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

	2019 £	2018 £
Not later than 1 year	21,464	21,464
Later than 1 year and not later than 5 years	21,464	42,929
	<u>42,928</u>	<u>64,393</u>

27. Members' liability

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

28. Related party transactions

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

The following related party transactions took place during the year:

Transactions relating to the wife of the Head teacher, L Brumby;

- The Trust made payments totalling £650 (2018 - £Nil) to D Brumby for her work as Clerk for finance committee meetings held during the period. There were no amounts outstanding at the year end (2018 - £Nil).
- The Trust made the purchases at arms' length following a competitive tendering exercise in accordance with its financial regulations, which L Brumby neither participated in, nor influenced.
- In entering into the transactions the Trust has complied with the requirements of the Academies Financial Handbook 2017.

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

29. Agency arrangement

The Academy trust administers the distributions of the new discretionary support for learners, 16-19 Bursary Funds, on behalf of the ESFA. In previous years, these amounts have been treated as being Agency Funds held on behalf of the ESFA by the Academy Trust and therefore the balance at the year-end was included within creditors. During the year, the terms and conditions associated with the funding were altered so that if the Academy Trust exercises discretion over the funding, the income and disbursed amounts are to be held within Restricted funds by the Academy trust. The transactions in the year were as follows:

During the year the Academy Trust received £15,346 (2018 - £16,709) and disbursed £15,260 (2018 - £21,910), £767 (2018 - £1,700) was retained to cover administration expenses and therefore a balance of £1,443 was held in restricted funds (2018 - £1,443 was owed to the ESFA as at the Balance sheet date and was included within creditors.)

30. Controlling party

There is no ultimate controlling party.