The Marlborough Church of England School
(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year ended 31 August 2018

Company Registration Number:
08194349 (England and Wales)

Period of account: 1 September 2017 – 31 August 2018

The Marlborough Church of England School
Contents

The Marlborough Church of England School
Reference and Administrative Details

Members	Oxford Diocese Board of Education Simon Robins Bill Oddy Simon Jones
Trustees	Simon Robins (Chairperson) * Dr Paul Beard Linda Coy (to 31.7.18) Rev Canon Adrian Daffern (to 31.3.18) Jill Dunsmore - (to 31.3.18) Christina Ferguson – (to 31.3.18) Andrew Hanlon (Principal) * Susan Johnson Brett Simon Jones * David Leach (to 31.3.18) Paul Marriott Bill Oddy * Matthew Penton (to 31.3.18) Kate Pick Clive Peters *(to 31.3.18) Aidan Salter * Roy Smith* (to 31.7.18) Alicia Wild (to 31.3.18) * members of the Finance and Resources Committee The Finance and Resources Committee also acts as the Audit Committee.
Company Secretary	Mrs Carol Crow

Senior Management Team

• Principal	Andrew Hanlon
• Deputy Headteacher	Christopher Hart
• Deputy Headteacher	Andrew Walter
• Assistant Headteacher	Eleanor Bromley
• Assistant Headteacher	Emily Harris
• Assistant Headteacher	Rebecca Harrison
• Senior Manager: Finance and Resources	Suzanna Berry

Company Name	The Marlborough Church of England School
Principal and Registered Office	Shipton Road Woodstock Oxon OX20 1LP
Company Registration Number	08194349 (England and Wales)
Independent Auditor	Critchleys LLP Beaver House 23 - 38 Hythe Bridge Street Oxford OX1 2EP
Bankers	Lloyds TSB Bank Carfax Oxford PO Box 1000 BX1 1LT
Solicitors	Winckworth Sherwood 16 Beaumont Street Oxford OX1 2LZ

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2017 to 31 August 2018. The Marlborough C of E School joined the River Learning Trust ("RLT"), a multi-academy trust on 1st April 2018 and, as at this date, all the assets, liabilities and obligations of the academy were transferred to RLT. As the Marlborough C of E School was the only school in the Trust; from this date there was no activity in the Trust. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

From 1 September 2017 until 31 March 18, the trust operated an academy for pupils aged 11 to 18 serving a catchment area in and around Woodstock. It had a pupil capacity of 1,138 and had a roll of 1,049 in the school census at January 2018.

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 The Marlborough Church of England School are also the directors of the charitable company for the purposes of company law. The charitable company is known as The Marlborough C of E School.

Details of the trustees who served during the period until 31 August 18 and also to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

Subject to the provisions of the Companies Act 2006 every trustee or other officer of the academy trust shall be indemnified out of the assets of the academy trust against any liability incurred by him in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the academy trust.

There were no provisions required for third party indemnity. In accordance with normal commercial practice, the academy trust purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on trust business.

Method of Recruitment and Appointment or Election of Trustees

The number of trustees shall not be less than 3 nor more than 16 except for appointments of trustees co-opted under Article 59 and any additional trustees made by the Secretary of State under Articles 62, 62A, 63 or 68A of the Memorandum and Articles of Association.

- The members may appoint up to 5 trustees;
- The members may appoint 2 staff trustees through such process as they may determine, provided that the total number of trustees (including the Principal) who are employees of the academy trust does not exceed one third of the total number of trustees;
- 4 foundation trustees. The incumbent shall be treated for all purposes as an ex-officio foundation trustee. Further the foundation members may appoint additional foundation trustees;
- 4 parent trustees shall be elected by parents of registered pupils at the academy. A parent trustee must be a parent of a pupil at the academy at the time when selected;
- The Principal shall be treated for all purposes as being an ex-officio trustee;
- The academy trust may also have up to 2 co-opted trustees appointed under Article 59
- The term of office for any trustee shall be 4 years, save that this time limit shall not apply to the Principal or the incumbent. Subject to remaining eligible to be a particular type of trustee, any trustee may be re-appointed or re-elected.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction of new trustees will depend on their experience. Where necessary an induction will provide training on educational, legal and financial matters. Induction and training of trustees is resourced from reputable training providers.

All new trustees are given a tour of the academy and the chance to meet with staff and students. All new trustees meet with the Principal for an introductory question and answer session. All trustees are provided with copies of policies, procedures, minutes, budgets, plans and other documents that they will need to understand their role as trustees and directors of the academy. Access to documentation is provided via the Governor Hub web portal.

Organisational Structure

Until 31 March 2018, the academy trust operated a two tier management structure; the trustees and leadership team.

The trustees were responsible for approving statutory policies, adopting an annual school development plan, approving and monitoring the annual and long term budget plans, making strategic decisions on capital expenditure, staff structure and senior appointments and the vision and values of the school.

The leadership team consisted of the Principal, two deputy headteachers, three assistant headteachers and the Senior Manager: Finance and Resources. These managers controlled the academy at an executive level implementing policies and reporting to the Governing Body. The leadership team was responsible for organising teaching staff and pupils, managing the site and facilities, authorising spending within agreed budgets and the appointment of staff. The Principal was the accounting officer. All spending control was devolved to members of the leadership team with limits above which the Principal must countersign.

Arrangements for setting pay and remuneration of key management personnel

Until 31 March 2018, pay and remuneration for key management personnel was set in line with the Teachers Pay Policy and the Pay Policy for Associate Staff. The Principal's pay range was set in line with the *Individual Salary Range (ISR) for the size and type of school and was reviewed annually by the trustees.*

Trade Union Facility Time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
2	1.8

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	2
1%-50%	0
51%-99%	0
100%	0

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£0
Provide the total pay bill	£2,914,128
Provide the percentage of the total pay bill spent on facility time	0%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	0

Related Parties and other Connected Charities and Organisations

In line with FRS102, the academy must declare all relevant connections and related party interests in the period to 31 August 2018. The academy did not have any connected organisations that were financially linked to the academy. No declarations of related party interests made by trustees and staff of the school have been made in the period.

Related parties of the academy trust included:

- Trustees and close members of their family;
- Key management of the academy trust and their close family members.

For further details of related parties and transactions during the year, see Notes 10 and 27.

Objectives and Activities

Objects and Aims

The academy trust's object is specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school with a designated Church of England religious character offering a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the Funding Agreement) and in having regard to the advice of the Diocesan Board of Education.

Vision

At Marlborough School, Woodstock, we are committed to the enrichment of the whole person and believe that every individual has the right to the best possible education. In line with the aims of the Oxford Diocesan Board, we:

- Recognise the uniqueness of every individual;
- Provide a safe, happy and healthy environment;
- Seek to develop our social, moral, spiritual and cultural understanding of the world;
- Enable all our students to achieve the best possible outcomes.

We are a genuine learning community that is committed to achieving excellence in all we do. We believe in the capacity and potential of every child. We strive to find the balance between being ambitious, rigorous, uncompromising and academically outstanding, with making sure our young people are nurtured, cherished and cared for. Our school cannot simply be measured by outcomes alone, but by the people it helps to shape.

Objectives, Strategies and Activities

The key priorities for The Marlborough C of E School are set out in the 2017-2019 School Development Plan (SDP) the ongoing targets are shown on page 12 of this report. During 2017-18 these were some of the key actions taken:

- Successful Ofsted Inspection resulted in overall judgement of 'Good';
- The Marlborough C of E School joined River Learning Trust with effect from 1st April 2018;
- Teacher Continuing Professional Development was directed at improving teaching and learning and pupil outcomes, as well as engaging with the PiXL organisation for changes to GCSE;
- Further action took place to endorse the 'Ready to Learn' programme;
- Continued promotion of Safeguarding, Prevent and Health and Safety throughout the school;
- Continue focus on the progress, destinations and school experience of Marlborough Scholarship Students (MSS), outlined in the revised 'Diminishing the Difference' strategy.

Public Benefit

The trustees of The Marlborough Church of England School confirm that up to 31 August 2018 they have *complied with their duty in Section 17(5) of the 2011 Charities Act to have due regard to the guidance on* public benefit published by the Charity Commission in exercising their powers or duties.

Charity law gives a wide meaning to education and does not limit it to education by a teacher in a classroom, playground or sports field. Broadly, education in charity law means to give knowledge to, or develop the abilities of, somebody by teaching, training or instruction, or to bring up children or young people in particular manners, habits or way of life. Similarly, education might commonly be taken to mean the systematic instruction, schooling or training of children and young people, or, by extension, the development of mental or physical powers and the development of some aspect of character.

The trustees, through a framework of senior school leadership and termly committee meetings, discussed the curriculum, local community and school environment and have taken due regard to the Charity Commission guidance. They were able to demonstrate that the academy's aims and activities were purely for the advancement of education, the development of students and the professional development of staff and the satisfaction of the parent body. Activities included the provision of community education classes to the local community, the use of the academy's facilities for after school hour's sports clubs, charity fundraising events which included the provision of senior citizens' Christmas lunches and pupils being involved in community activities such as tending the War Graves and as part of the Electives Programme. The academy worked in partnership with 9 local primary schools.

Strategic Report

Achievements and Performance

School outcomes resulting from effective development planning and deployment of resources

There were no examination outcomes to report on during the period from 1st September 2017 – 31st March 2018.

During the period, there was continuing support and encouragement to pupils with a range of physical and learning disabilities including acquired brain injury, cerebral palsy, autistic spectrum disorder, Asperger's syndrome and muscular dystrophy to access learning alongside their peers and had access to mainstream lessons and shared facilities. The Ormerod Resource Base formed a unique part of our school which works closely with SENSS to ensure that the school remains both highly inclusive and highly aspirational for all of its pupils. Since 1 April 2018 this work has continued under the RLT.

Key Performance Indicators

For the period to 31 March 2018, the KPIs chosen were designed to ensure the continuation of the academy as a viable financial concern. The Reserves Policy is dealt with later in the report however maintaining the proportion of staffing to total income was essential to maintaining financial viability as staff costs and notably teaching costs represented a large proportion of the academy budget. Catering and other income represented an important element of overall income making up over 5% of total income.

On 1st April 2018 The Marlborough C of E School joined the River Learning Trust. All assets and liabilities were transferred to the River Learning Trust with effect from that date. These KPIs relate to the financial transactions to 31st March 2018.

Indicator Description	Target	Outturn 2017/18	Comment
Restricted/Unrestricted Funds – to ensure that these cover the Reserves policy as agreed by the trustees	General Reserve 3-4% of GAG or £148k to 198k Contingency Reserve £150k Capital Reserves to be decided by trustees when required	Overall carry forward less capital reserves £443k Capital reserves £17k	All reserves have been transferred to River Learning Trust
Teaching costs are between 57-60% of DFE income	Teaching costs £1,777k - £1,871k	£1,924k – 62%	This has reduced from 67% in 2015/16 %
All staff costs below 80% of total non-capital income	Staff costs below £2,744k	£2,678k – 78%	In 2015/16 this % was 83.4%
Other private sources of income (not including Catering, uniform or trips and visits) other than official grants etc. to exceed £140k	Lettings - £19k (over 7 months) Other Income - £63k (over 7 months)	Lettings - £19k Other Income - £84k	
Catering income to exceed £140k	Catering Income - £82k (over 7 months)	Catering income £132k	
Academic Targets – Key Stage 4	Pupils progress will be above national average Basic target of 52%	See above	
Academic Targets – key Stage 5	At least 85% of students will achieve their first choice of university	82% of students achieved this in 2017	

Going Concern

On 29 March 2018, a deed of novation and variation of the funding agreement with the Secretary of State for Education was signed and the trade and assets of The Marlborough Church of England School were transferred to River Learning Trust on 1 April 2018.

The Trustees intend to have the charity removed from the Register of Companies following the transfer of the trade and assets to River Learning Trust and as a result the financial statements have not been prepared on a going concern basis. Costs and liabilities relating to the dissolution of the academy trust will be met by River Learning Trust.

Financial Review

On 1st April 2018 The Marlborough C of E School joined the River Learning Trust. All assets and liabilities were transferred to the River Learning Trust with effect from that date. This review relates to the financial transactions to 31st March 2018.

Most of the income for The Marlborough C of E School was obtained from the ESFA in the form of recurrent grants which were restricted in use to particular purposes. The grants received from the ESFA during the year to 31 August 2018 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities on page 25. Details of all grants and income received can be found in Note 3 – Funding the Academy's educational operations.

During the year 2017/18 The Marlborough School received a total of £3,117,581 (2017: £5,137,637) in GAG, Pupil Premium, Other DfE and Local Authority revenue funding. Further income from other sources (catering, lettings, trips etc.) totalled £312,480 (2017: £522,277).

Expenditure for the year to 31 August 2018 including depreciation was £3,921,289 (2017: £6,341,209). Assets of £9,406,623 were transferred to River Learning Trust on 31st March 2018.

The Marlborough School received notification from Oxfordshire County Council (OCC) pension actuaries that the Local Government Pension Scheme deficit was £2,535,000 as at 31 August 2017 and £2,332,000 as at 31 March 2018. The pension deficit was transferred on River Learning Trust on 1 April 2018. More details of this fund deficit can be found in note 26.

Reserves Policy

To 31/3/2018 the following reserve policy was in place:-

- Operating Reserve (Restricted/Unrestricted funds) – set at 3-4% of GAG income or approximately £148K - £198K. This level has been set for an 18 month adjustment period if GAG funds fall.
- Contingency Reserve – set at 1-2% of GAG income or £50K - £100K to cover unforeseen expenditure such as emergency building repairs, heating failure, roof failure etc.
- Capital Reserve – in addition to the above reserves the Trustees from time to time will decide on capital projects/expenditure and will use surpluses to build a Capital reserve.

On 31 March 2018 the academy trust held the following Reserves (excluding Fixed Asset Fund which represents Net Book Value and Pension Deficit):

	£
Unrestricted General Funds	415,053
Restricted General Funds	27,759
Restricted Capital Funds	17,377
Total Reserves to 31 March 2018	460,189

As 31 March 2018 the academy trust held reserves in line with the reserves policy above. These reserves were transferred to River Learning Trust on 1st April 2018.

The LGPS Pension Deficit is likely to be met in the longer term from any combination of increased employer contributions, increased government funding or change to scheme benefits. The restricted funds will be spent in accordance with the terms of the particular funds.

Investment Policy

For the period to 31 August 2018, in line with the Companies Act of 2006 The Marlborough School had an Investment Policy, adopted in 2013, which defined the investments made and the decision that underpinned these. The trustees through its Finance and Resources Committee decided any investment policies.

The investment policy at this time was to invest funds in risk free savings accounts. The savings were split between a current account, short term deposit account and a fixed term deposit account. The Marlborough School earned interest of £1,307 for the period to 31 March 2018.

Principal Risks and Uncertainties

For the period to 31 August 2018, the Trustees were responsible for risk management and for maintaining a sound system of internal control that supported the achievement of policies, aims and objectives, whilst safeguarding public funds and other funds and assets for which it was responsible. The Trustees were advised in this role by the Finance and Resources Committee and both were advised and informed by the Senior Management Team. The school had in place a risk management strategy to identify and prioritise strategic risks formally. The register and management of strategic risks were reviewed by the Finance and Resources Committee twice a year. The last review was October 2017.

This risk management process involved identifying the types of risk The Marlborough School faces, scoring and prioritising them in terms of their potential impact, the probability of the risk occurring and means of mitigating the risk. The principal risks identified were:

- Revenue expenditure is greater than income continuing to deplete reserves;
- The legal and financial implications of The Marlborough C of E School joining the River Learning Trust multi-academy trust;
- The increase in the pension deficit may cause the employers contribution to increase;
- The delay in the implementation of a National Funding formula;
- "Succession" planning for Governors as 13 are due for re-appointment in 2018;
- The risk of a reduction in student numbers, particularly in relation to competition from local schools for Sixth Form students and following changes to free school transport policy.

Fundraising

Funds were raised for the benefit of The Marlborough C of E School by the parent teacher association known as the Marlborough School Association (MSA). During 2017/18 £2k was raised through the selling of refreshments at school events, a school quiz night and sponsorship at the Blenheim 7K run.

There was no work done with professional fundraisers and no complaints were received.

Plans for Future Periods

Marlborough School Development Plan: Priorities 2017-2019

Priority Area 1: Effectiveness of Leadership and Management

1. Build a culture of well-being and resilience for all our staff and students.
2. Explore the strategic professional and organisational benefits of joining a Multi-Academy Trust (MAT).

Priority Area 2: Quality of Teaching, Learning and Assessment

3. Promote consistent, high quality teaching and learning in every lesson for every child.
4. Develop clear and consistent policy and practice on all aspects of marking, assessment and feedback across all subject areas in school
5. Ensure a clear and consistent approach to homework across the school.

Priority Area 3: Personal Development, Behaviour and Welfare

6. Create a culture of vigilance where **children's safety** is paramount and their welfare protected.
7. Establish clearly what good and outstanding **behaviour** and attendance is and ensure that approaches and standards are consistent across the school.

Priority Area 4: Outcomes and Destinations for all pupils

8. Enable all groups of students, from all backgrounds and of all abilities, including MSS, to make excellent **progress and achieve the best possible outcomes** that allow them to access the most relevant destination, be that in further education, training or employment.

Funds Held as Custodian Trustee on Behalf of Others

For the period to 31 August 2018, the trust held no Assets and Funds as Custodian Trustee on behalf of others.

Auditor

Insofar as the trustees are aware:

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

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 21st November 2018 and signed on the board's behalf by:

Simon Robins

Simon Robins
Chair of Trustees

The Marlborough Church of England School
Governance Statement

Scope of Responsibility

For the period to 31 August 2018, as trustees we acknowledge we had overall responsibility for ensuring that The Marlborough Church of England School had 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 delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Marlborough Church of England School and the Secretary of State for Education. They were 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 4 times during the year (not including the AGM). Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Simon Robins (Chairperson) *	4	4
Dr Paul Beard	4	4
Linda Coy	3	4
Rev Canon Adrian Daffern	3	4
Jill Dunsmore – to 31/12/2017	2	4
Christina Ferguson	4	4
Andrew Hanlon (Principal) *	3	4
Susan Johnson Brett	4	4
Simon Jones *	4	4
David Leach	4	4
Paul Marriott	4	4
Bill Oddy *	3	4
Matthew Penton	3	4
Kate Pick	3	4
Clive Peters *	3	4
Aidan Salter *	4	4
Roy Smith*	4	4
Alicia Wild	4	4

Resignations and Appointments during the year:

- Jill Dunsmore resigned from office 31/03/2018
- Terms of Office ended on 31/3/2018 for Rev Canon Adrian Daffern, Christina Ferguson, David Leach, Matthew Penton, Clive Peters and Alicia Wild and for Linda Coy and Royston Smith ended on 31 July 2018.

Governance Reviews

Since the external review of governance undertaken in June 2016, the Board of Trustees has regularly reviewed the impact of and progress against the Action Plan arising from the review plan. In February 2018, Ofsted validated progress as evidenced in its report:

'Governors carry out their duties diligently and have a good understanding of the school's strengths and weaknesses. They provide effective challenge to leaders.'

Governors have considerable expertise and a wide range of skills, which they use well to support the school. The governing body has acted upon the findings of a recent external review in 2016 to enhance their effectiveness. Committee structures and governors' roles and responsibilities have been reorganised and there are clear lines of accountability.

Governors make regular visits to the check the quality of teaching and learning, and the progress pupils are making, linked to areas of the school improvement plan. Consequently, they are well informed about the strengths and areas for improvement in the school, and provide increasing challenge to school leaders.

Governors use external support well to review teaching, learning and other areas of the school. To support their ambition to take the school forward, governors have decided the school will join the River Learning Trust (RLT) multi-academy trust in April 2018. Governors intend that this partnership will help leaders learn from the best practice of other successful schools.

Committees

The Finance and Resources Committee is a sub-committee of the main board of trustees. Its purpose is to:

- Monitor the budget, carrying out reviews and authorising changes as required;
- Monitor the school's accounting practice;
- Act as the Audit Committee;
- Ensure the school has clear internal procedure documentation;
- Monitor the school's resource needs and help make judgements about expenditure on more expensive items;
- Monitor the quality of the management of the school site and buildings;
- Plan for the use of capital funding;
- Ensure procedures are in place to meet all health and safety legislation;
- Act as the Personnel and Pay Committee;
- Ensure the school has all statutory and appropriate policies in place regarding personnel issues;
- Ensure effective procedures are in place to deal with issues concerning personnel;
- Contribute to the development, monitoring and evaluation of the School Improvement Plan (SIP) ;
- Consider and monitor all issues relating to school visits;
- Review school uniform requirements to ensure affordability
- Monitor all legal issues affecting the school.

Key issues for the Finance and Resources Committee were:

- To work towards a 5 year budget plan that brings the school back into an in year surplus;
- Successfully negotiate the transfer of The Marlborough C of E School to River Learning Trust;
- To use the DfE guidance on school efficiency - Top 10 planning checks for Governors.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Simon Robins	3	4
Andrew Hanlon	3	4
Simon Jones	4	4
Bill Oddy	2	4
Clive Peters	4	4
Aidan Salter	4	4
Roy Smith	3	4

The Finance and Resources Committee also acts as the Audit Committee.

Review of Value for Money

For the period to 31 March 2018, as accounting officer the Principal had responsibility for ensuring that the academy trust delivered 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 considered how the trust's use of its resources provided good value for money during each academic year, and reported to the board of trustees where value for money could be improved, including the use of benchmarking data where available. The accounting officer for the academy trust delivered improved value for money during the year by:

- Continuing to review the efficiency curriculum delivery, ensuring teacher recruitment matches the needs of the curriculum;
- Successfully negotiating the transfer of The Marlborough C of E School to River Learning Trust.

The Purpose of the System of Internal Control

For the period to 31 March 2018, the system of internal control was designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It could therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control was 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 was in place in The Marlborough Church of England School for the period 1 September 2017 to 31 March 2018 and was transferred to the RLT after this date.

Capacity to Handle Risk

For the period to 31 March 2018, the board of trustees reviewed the key risks to which the academy trust was exposed together with the operating, financial and compliance controls that were implemented to mitigate those risks. The board of trustees is of the view that there was a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2017 to 31 March 2018 and that the RLT took over responsibility for managing the key risks from 1 April 2018 and up to the date of approval of the annual report and financial statements. This process was regularly reviewed by the board of trustees.

The Risk and Control Framework

For the period to 31 March 2018, the academy trust's system of internal financial control was 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 included:

- 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 resources 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 considered the need for specific internal audit function and decided:

- not to appoint an internal auditor. However the Trustees appointed Roy Smith, a trustee, to carry out a programme of internal checks.

This trustee's role included 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:

- Authorisation of payroll;
- Checks that goods and services paid for were appropriate, correctly ordered, authorised and entered onto the finance system;
- GAG funding was reconciled to payments received;
- Bank reconciliations were examined to ensure they were up to date, properly documented and authorised.

On a quarterly basis, the trustee reported to the board of trustees, through the finance and resources committee on the operation of systems of control and on the discharge of the board of trustees' financial responsibilities.

The academy trust can confirm that the trustee has delivered their schedule of work as planned and that there have been no material control issues arising requiring remedial action

Review of Effectiveness

As accounting officer the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the period to 31 March 2018 the review has been informed by:

- the work of Roy Smith, as a trustee carrying out a programme of internal checks;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the finance 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 and resources committee and a plan to ensure continuous improvement of the system was in place.

Approved by order of the members of the board of trustees on 21st November 2018 and signed on its behalf by:

Simon Robins
Chair of Trustees

Andrew Hanlon
Accounting Officer

The Marlborough Church of England School

Statement on Regularity, Propriety and Compliance

For the period to 31 March 2018, as accounting officer of The Marlborough Church of England 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 ESFA 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 2017.

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

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

Andrew Hanlon
Accounting Officer

21st November 2018

The Marlborough Church of England School
Statement of Trustees' Responsibilities

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 in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 21st November 2018 and signed on its behalf by:

Simon Robins

Simon Robins
Chair of Trustees

Opinion on financial statements
We have audited the financial statements of The Marlborough Church of England School ('the academy trust') for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2017 to 2018 issued by the ESFA.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been properly prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2017 to 2018.

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

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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities (set out on page 19), the trustees (who are also the directors of the charitable company 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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 Report of the Independent Auditors.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy trust and the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Rodzynski (Senior statutory auditor)
For and on behalf of Critchleys Audit LLP
Statutory Auditor
Oxford

Date: 10/12/18

Critchleys Audit LLP is eligible to act as an auditor in terms of sections 1212 of the Companies Act 2006.

Independent Reporting Accountant's Assurance Report on Regularity to The Marlborough Church of England School and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 18 October 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether, the expenditure disbursed and income received by The Marlborough Church of England School during the period 1 September 2017 to 31 March 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

Respective responsibilities of The Marlborough Church of England School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Marlborough Church of England School's funding agreement with the Secretary of State for Education dated 8 October 2012 and the Academies Financial Handbook, extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

1. Reviewing of minutes of meetings of the Board of Trustees and obtaining representations concerning access to information, disclosure and provision of information
2. Evaluation of the general control environment of the academy trust, extending the procedures required for financial statements to include regularity
3. Assessment and testing of a sample of the specific control activities over regularity of a particular activity.
4. Carrying out substantive testing to cover authorisation of expenditure within internal delegated authorities and externally imposed limits.
5. Consideration of whether activities carried out are within the charitable objects.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2017 to 31 March 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Use of our report

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

Critchleys Audit LLP

Critchleys Audit LLP
Reporting Accountant
Oxford

Date: 10/12/18

The Marlborough Church of England School
Statement of Financial Activities
For the year ended 31 August 2018
(including Income and Expenditure Account)
Note that 2018 figures relate to 7 months of transactions September 2017 to March 2018

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	**Total 2018 £**	**Total 2017 £**
Income and endowments from:						
Donations and capital grants	2	6,986	-	-	**6,986**	**28,783**
Charitable activities						
Funding for the academy trust's educational operations	3	-	3,117,581	-	**3,117,581**	**5,137,637**
Other income for educational operations	4	234,805	-	-	**234,805**	**403,433**
Other trading activities	5	69,382	-	-	**69,382**	**108,457**
Investments	6	1,307	-	-	**1,307**	**4,230**
Total		312,480	3,117,581	-	**3,430,061**	**5,682,540**
Expenditure on:						
Raising funds	7	34,381	-	-	**34,381**	**62,801**
Charitable activities						
Academy's educational operations	8	241,791	3,322,129	322,988	**3,886,908**	**6,278,408**
Transfer to River Learning Trust		415,053	(2,304,241)	11,295,811	**9,406,623**	**-**
Total		691,225	1,017,888	11,618,799	**13,327,912**	**6,341,209**
Net income / (expenditure) before transfers		(378,745)	2,099,693	(11,618,799)	**(9,897,851)**	**(658,669)**
Transfers between funds	16	-	(6,610)	6,610	**-**	**-**
Net income / (expenditure) for the period		(378,745)	2,093,083	(11,612,189)	**(9,897,851)**	**(658,669)**
Other recognised gains / (losses):						
Actuarial (losses) / gains on defined benefit pension schemes	16,26	-	440,000	-	**440,000**	**494,000**
Net movement in funds		(378,745)	2,533,083	(11,612,189)	**(9,457,851)**	**(164,669)**
Reconciliation of Funds						
Funds brought forward at 1 September 2017		378,745	(2,533,083)	11,612,189	**9,457,851**	**9,622,520**
Funds carried forward at 31 August 2018		-	-	-	**-**	**9,457,851**

All of the Academy's activities are classed as discontinuing.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

The Marlborough Church of England School
Balance Sheet
As at 31 August 2018

Company number:
08194349

Note that 2018 figures relate to 7 months of transactions September 2017 to March 2018

	Notes	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Intangible assets	12		-		5,024
Tangible assets	13		-		11,577,193
Current assets					
Debtors	14	-		101,586	
Cash at bank and in hand		-		642,777	
		-		744,363	
Liabilities					
Creditors: Amounts falling due within one year	15	-		(333,729)	
Net current assets			-		410,634
Total assets less current liabilities			-		11,992,851
Net assets excluding pension liability			-		11,992,851
Defined benefit pension scheme liability	26		-		(2,535,000)
Total net assets			-		9,457,851
Funds of the academy trust:					
Restricted fixed asset funds	16		-		11,612,189
Restricted funds					
Restricted funds excluding pension liability	16	-		1,917	
Pension reserve	16	-		(2,535,000)	
			-		(2,533,083)
Total restricted funds			-		9,079,106
Unrestricted funds	16		-		378,745
Total funds			-		9,457,851

The financial statements on pages 25 to 47 were approved by the trustees and authorised for issue on 21 November 2018 and are signed on their behalf by

Simon Robins
Chair of Trustees

The Marlborough Church of England School
Statement of Cash Flows
For the year ended 31 August 2018

Note that 2018 figures relate to 7 months of transactions September 2017 to March 2018

	Notes	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	20	**(7,370)**	**(123,133)**
Cash flows from investing activities	22	**(17,898)**	**(38,826)**
Cash flows from financing activities	21	**-**	**-**
Change in cash and cash equivalents in the reporting period		**(25,268)**	**(161,959)**
Reconciliation of net cash flow to movement in net funds			
Cash transferred to River Learning Trust		**(617,509)**	**-**
Cash and cash equivalents at 1 September 2017		**642,777**	**804,736**
Cash and cash equivalents at 31 August 2018	23	**-**	**642,777**

All of the cash flows are derived from discontinuing operations.

1 Statement of Accounting Policies

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

Basis of Preparation

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

The Marlborough Church of England School meets the definition of a public benefit entity under FRS 102.

Going Concern

On 29 March 2018, a deed of novation and variation of the funding agreement with the Secretary of State for Education was signed and the trade and assets of The Marlborough Church of England School were transferred to River Learning Trust on 1 April 2018.

The Trustees intend to have the charity removed from the Register of Companies following the transfer of the trade and assets to River Learning Trust and as a result the financial statements have not been prepared on a going concern basis. Costs and liabilities relating to the dissolution of the academy trust will be met by River Learning Trust.

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 period 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 period it is receivable and to the extent the academy trust has provided the goods or services.

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

1 Statement of Accounting Policies (continued)

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.

All resources expended are inclusive of irrecoverable VAT.

Intangible Fixed Assets
Intangible assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

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

Purchased computer software	3 years

Tangible Fixed Assets
Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

The property transferred on conversion has been valued on a depreciated replacement cost basis which is not representative of market value (see note 13 for further details).

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, depreciation on such assets is charged to the unrestricted 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:

Leasehold buildings	30 years from conversion
Leasehold improvements	5-30 years
Fixtures, fittings and equipment	5 years
ICT equipment	3 years
Motor Vehicles	5 years

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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.

Note that 2018 figures relate to 7 months of transactions September 2017 to March 2018

1 Statement of Accounting Policies (continued)

Cash
Cash at bank and in hand includes cash held in notice deposits of less than 12 months which can accessed at short notice if required. The amount held in notice deposits can be seen in note 23.

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 the settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions
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.

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

Financial Instruments
The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised costs as detailed in note 14. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. 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.

Stock
Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

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.

Note that 2018 figures relate to 7 months of transactions September 2017 to March 2018

1 Statement of Accounting Policies (continued)

Pensions Benefits
Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 26, the TPS is a 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 gains and losses.

Fund Accounting
Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

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

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

Agency Arrangements
The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 28.

1 Statement of Accounting Policies (continued)

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement
The academy trust participates in the Teacher's Pension Scheme (TPS) for qualifying employees. Under the definitions set out in FRS 102, this is a multi-employer pension scheme. There is insufficient information about the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets in the financial statements and therefore the plan is accounted for as a defined contribution scheme (see note 26).

Agency arrangements
The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from 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. The funds received and paid and any balances held are disclosed in note 28.

Note that 2018 figures relate to 7 months of transactions September 2017 to March 2018

2 Donations and capital grants

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
DfE/ESFA capital grants				
Devolved formula capital grant	-	-	-	22,326
	-	-	-	22,326
Other donations	6,986	-	6,986	6,457
	6,986	-	6,986	28,783

The income from donations and capital grants was £6,986 (2017: £28,783) of which £6,986 was unrestricted (2017: £6,457), £Nil restricted (2017: £Nil) and £Nil restricted fixed assets (2017: £22,326).

3 Funding for Academy's educational operations

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
DfE/ESFA revenue grants				
General Annual Grant (GAG)	-	3,000,723	3,000,723	4,938,751
Other DfE Group grants	-	88,713	88,713	154,537
	-	3,089,436	3,089,436	5,093,288
Other Government grants				
Local Authority revenue grants	-	28,145	28,145	44,349
	-	28,145	28,145	44,349
	-	3,117,581	3,117,581	5,137,637

The funding for the academy's educational operations was £3,117,581 (2017: £5,137,637) of which £Nil was unrestricted (2017: £Nil), £3,117,581 restricted (2017: £5,137,637) and £Nil restricted fixed assets (2017: £Nil).

Note that 2018 figures relate to 7 months of transactions September 2017 to March 2018

4 Other income for educational operations

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Trip and activity income	56,907	-	56,907	145,371
Catering income	132,096	-	132,096	169,889
Other educational income	45,802	-	45,802	88,173
	234,805	-	234,805	403,433

The other income for educational operations was £234,805 (2017: £403,433) of which £234,805 was unrestricted (2017: £403,433), £Nil restricted (2017: £Nil) and £Nil restricted fixed assets (2017: £Nil).

5 Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Hire of facilities	18,688	-	18,688	35,346
Community education	47,236	-	47,236	70,294
Other income	3,458	-	3,458	2,817
	69,382	-	69,382	108,457

The other trading activities income was £69,382 (2017: £108,457) of which £69,382 was unrestricted (2017: £108,457), £Nil restricted (2017: £Nil) and £Nil restricted fixed assets (2017: £Nil).

6 Investment Income

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Short term deposits	1,307	-	1,307	4,230
	1,307	-	1,307	4,230

The investment income was £1,307 (2017: £4,230) of which £1,307 was unrestricted (2017: £4,230), £Nil restricted (2017: £Nil) and £Nil restricted fixed assets (2017: £Nil).

Note that 2018 figures relate to 7 months of transactions September 2017 to March 2018

7 Expenditure

	Staff Costs	Non Pay Expenditure Premises Costs	Other Costs	Total 2018	Total 2017
	£	£	£	£	£
Expenditure on raising funds					
Allocated support costs	23,940	-	10,441	**34,381**	**62,801**
Academy's educational operations					
Direct costs (note 8)	2,227,648	-	386,310	**2,613,958**	**4,530,868**
Allocated support costs (note 8)	662,540	114,349	496,061	**1,272,950**	**1,747,540**
Transfer to River Learning Trust (note 8)	-	-	9,406,623	**9,406,623**	-
	2,890,188	114,349	10,288,994	**13,293,531**	**6,278,408**
	2,914,128	114,349	10,299,435	**13,327,912**	**6,341,209**

The expenditure on raising funds was £34,381 (2017: £62,801) of which £34,381 was unrestricted (2017: £62,801), £Nil restricted (2017: £Nil) and £Nil restricted fixed assets (2017: £Nil).

The expenditure on academy's educational operations was £13,293,531 (2017: £6,278,408) of which £241,791 was unrestricted (2017: £409,890), £3,322,129 restricted (2017: £5,295,845) and £322,988 restricted fixed assets (2017: £572,673).

Net income/(expenditure) for the period includes:

	2018	2017
	£	£
Operating lease rentals	2,754	8,781
Depreciation	320,698	568,748
(Gain)/loss on disposal of fixed assets	-	(1,375)
Amortisation of intangible fixed assets (included within Charitable Activities - Academy trust educational operations)	2,290	3,925
Fees payable to auditor for:		
Audit	6,875	7,300
Other services	5,550	6,605

8 Charitable activities

	Total 2018	Total 2017
	£	£
Direct costs - educational operations	**2,613,958**	**4,530,868**
Support costs - educational operations	**1,272,950**	**1,747,540**
Transfer to River Learning Trust	**9,406,623**	**-**
	13,293,531	**6,278,408**

Analysis of support costs

	Educational operations	Total 2018	Total 2017
	£	£	£
Support staff costs	425,540	**425,540**	**721,487**
Depreciation	322,988	**322,988**	**572,673**
Technology costs	23,915	**23,915**	**42,089**
Premises costs	114,349	**114,349**	**171,470**
Other support costs	135,898	**135,898**	**213,901**
Governance costs	13,260	**13,260**	**14,920**
Other pension costs	126,000	**126,000**	**182,000**
Other finance costs (FRS102 pension)	111,000	**111,000**	**(171,000)**
Total support costs	**1,272,950**	**1,272,950**	**1,747,540**

Note that 2018 figures relate to 7 months of transactions September 2017 to March 2018

9 Staff Costs

Staff costs during the period were:	2018 £	2017 £
Wages and salaries	2,111,111	3,644,165
Social security costs	193,620	333,696
Operating costs of defined benefit pension schemes		
Employer contributions to pension schemes	362,384	609,434
FRS102 Other pension and finance costs	237,000	11,000
Apprenticeship levy	1,751	1,054
	2,905,866	4,599,349
Supply staff costs	8,262	49,258
Staff restructuring costs	-	-
	2,914,128	4,648,607

The average number of persons employed by the academy trust during the period was as follows:

	2018 No.	2017 No.
Teachers	70	72
Administration and support	82	84
Management	7	6
	159	162

The average number of persons (including senior leadership team) employed by the academy trust during the period expressed as full time equivalents was as follows:

	2018 No.	2017 No.
Teachers	55	58
Administration and support	47	47
Management	7	6
	109	111

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

	2018 No.	2017 No.
£60,001 - £70,000	-	2
£80,001 - £90,000	-	1

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on pages 1 and 2. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £363,785 (2017: £551,094).

Note that 2018 figures relate to 7 months of transactions September 2017 to March 2018

10 Related Party Transactions - Trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from employment with the academy trust. The head teacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of head teacher and staff members under their contracts of employment.

		2018	2017
		£	£
A Hanlon, Headteacher Governor and Trustee			
	Remuneration	£50k-£55k	£85k-£90k
	Employer's pension contributions	£5k-£10k	£10k-£15k
C Ferguson, Staff Governor and Trustee			
	Remuneration	£10k-£15k	£15k-£20k
	Employer's pension contributions	£0k-£5k	£0k-£5k
L Coy, Staff Governor and Trustee			
	Remuneration	-	£0k-£5k
	Employer's pension contributions	-	£0k-£5k
P Marriott, Staff Governor and Trustee			
	Remuneration	£20k-£25k	£35k-£40k
	Employer's pension contributions	£0k-£5k	£5k-£10k

During the period ended 31 August 2018, travel and subsistence expenses totalling £190 were reimbursed or paid directly to 1 trustee (2017: £775 to 3 trustees).

11 Trustees and officers insurance

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and offices indemnity element from the overall cost of the RPA scheme.

12 Intangible fixed assets

	Computer Software	Total
	£	£
Cost		
As at 1 September 2017	11,776	**11,776**
Additions	-	-
Transferred to River Learning Trust	(11,776)	**(11,776)**
As at 31 August 2018	-	-
Amortisation		
As at 1 September 2017	6,752	**6,752**
Charged in year	2,290	**2,290**
Transferred to River Learning Trust	(9,042)	**(9,042)**
As at 31 August 2018	-	-
Carrying amount		
As at 31 August 2018	-	-
As at 1 September 2017	5,024	**5,024**

Note that 2018 figures relate to 7 months of transactions September 2017 to March 2018

13 Tangible fixed assets

	Leasehold Buildings £	Furniture and Equipment £	Computer Equipment £	Motor Vehicles £	Total £
Cost					
As at 1 September 2017	13,822,808	150,483	193,461	25,270	**14,192,022**
Additions	9,790	-	9,415	-	**19,205**
Transferred to River Learning Trust	(13,832,598)	(150,483)	(202,876)	(25,270)	**(14,211,227)**
Disposals	-	-	-	-	-
As at 31 August 2018	-	-	-	-	-
Depreciation					
As at 1 September 2017	2,311,149	122,599	156,232	24,849	**2,614,829**
Charged in year	298,332	10,135	11,810	421	**320,698**
Transferred to River Learning Trust	(2,609,481)	(132,734)	(168,042)	(25,270)	**(2,935,527)**
Disposals	-	-	-	-	-
As at 31 August 2018	-	-	-	-	-
Net book values					
As at 31 August 2018	-	-	-	-	-
As at 1 September 2017	11,511,659	27,884	37,229	421	11,577,193

The academy trust entered into a Supplemental Agreement with Church land trustees for the use of land and buildings at the Church of England school. The academy trust has permission to use the land and buildings for an indefinite period, subject to a 2 year termination notice period. A depreciated replacement cost value of the buildings (as valued by Mouchel) has been recognised on the balance sheet on the basis that the Academy has the economic benefit from their use. The supplemental agreement was assigned to River Learning Trust on 31 March 2018.

14 Debtors

	2018 £	2017 £
Trade debtors	-	3,278
VAT recoverable	-	20,245
Prepayments and accrued income	-	78,063
	-	101,586

15 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	-	7,711
Other taxation and social security	-	89,571
Other creditors	-	95,811
Accruals and deferred income	-	140,636
	-	333,729

Deferred income

	2018 £	2017 £
Deferred income at 1 September 2017	23,519	21,164
Released from previous years	(23,519)	(21,164)
Resources deferred in the period	-	23,519
Deferred income at 31 August 2018	-	23,519

Note that 2018 figures relate to 7 months of transactions September 2017 to March 2018

16 Funds.

	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	-	2,998,930	(2,992,320)	(6,610)	-
Pupil Premium funding	-	74,176	(74,176)	-	-
Other DfE funding	-	17,732	(17,732)	-	-
Other LA funding	-	24,950	(24,950)	-	-
Other restricted funds	1,917	1,793	(3,710)	-	-
Pension reserve (note 26)	(2,535,000)	-	2,095,000	440,000	-
	(2,533,083)	3,117,581	(1,017,888)	433,390	-
Restricted fixed asset funds					
Capital funds transferred on conversion	29,972	-	(17,377)	(12,595)	-
Intangible fixed asset fund (note 12)	5,024	-	(5,024)	-	-
Tangible fixed asset fund (note 13)	11,577,193	-	(11,596,398)	19,205	-
	11,612,189	-	(11,618,799)	6,610	-
Total restricted funds	**9,079,106**	**3,117,581**	**(12,636,687)**	**440,000**	-
Unrestricted funds					
Unrestricted funds	378,745	312,480	(691,225)	-	-
Total unrestricted funds	378,745	312,480	(691,225)	-	-
Total funds	**9,457,851**	**3,430,061**	**(13,327,912)**	**440,000**	-

Under the funding agreement with the Secretary of State, the academy trust was not subject to limits on the amount of GAG that it could carry forward at 31 August 2018.

Comparative Funds	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant (GAG)	185,393	4,939,587	(5,087,481)	(37,499)	-
Pupil Premium funding	-	106,665	(106,665)	-	-
Other DfE funding	-	47,872	(47,872)	-	-
Other LA funding	-	40,324	(40,324)	-	-
Other restricted funds	1,231	3,189	(2,503)	-	**1,917**
Pension reserve (note 26)	(3,018,000)	-	(11,000)	494,000	**(2,535,000)**
	(2,831,376)	5,137,637	(5,295,845)	456,501	**(2,533,083)**
Restricted fixed asset funds					
ESFA project funding - CIF	10,548	-	-	(10,548)	-
Devolved formula capital	1,654	22,326	-	(23,980)	-
Capital funds transferred on conversion	29,972	-	-	-	**29,972**
Intangible fixed asset fund (note 12)	8,949	-	(3,925)	-	**5,024**
Fixed asset fund (note 13)	12,079,184	-	(568,748)	66,757	**11,577,193**
	12,130,307	22,326	(572,673)	32,229	**11,612,189**
Total restricted funds	**9,298,931**	**5,159,963**	**(5,868,518)**	**488,730**	**9,079,106**
Unrestricted funds					
Unrestricted funds	323,589	522,577	(472,691)	5,270	**378,745**
Total unrestricted funds	323,589	522,577	(472,691)	5,270	**378,745**
Total funds	**9,622,520**	**5,682,540**	**(6,341,209)**	**494,000**	**9,457,851**

Note that 2018 figures relate to 7 months of transactions September 2017 to March 2018

A current year 12 months and prior year 12 months combined position is as follows:

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	185,393	7,938,517	(8,079,801)	(44,109)	-
Pupil Premium funding	-	180,841	(180,841)	-	-
Other DfE funding	-	65,604	(65,604)	-	-
Other LA funding	-	65,274	(65,274)	-	-
Other restricted funds	1,231	4,982	(6,213)	-	-
Pension reserve (note 26)	(3,018,000)	-	2,084,000	934,000	-
	(2,831,376)	8,255,218	(6,313,733)	889,891	-
Restricted fixed asset funds					
ESFA project funding - CIF	10,548	-	-	(10,548)	-
Devolved formula capital	1,654	22,326	-	(23,980)	-
Capital funds transferred on conversion	29,972	-	(17,377)	(12,595)	-
Intangible fixed asset fund (note 12)	8,949	-	(8,949)	-	-
Fixed asset fund (note 13)	12,079,184	-	(12,165,146)	85,962	-
	12,130,307	22,326	(12,191,472)	38,839	-
Total restricted funds	**9,298,931**	**8,277,544**	**(18,505,205)**	**928,730**	-
Unrestricted funds					
Unrestricted funds	323,589	835,057	(1,163,916)	5,270	-
Total unrestricted funds	323,589	835,057	(1,163,916)	5,270	-
Total funds	**9,622,520**	**9,112,601**	**(19,669,121)**	**934,000**	-

17 Analysis of net assets between funds

Fund balances at 31 August 2018 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Intangible fixed assets	-	-	-	-
Tangible fixed assets	-	-	-	-
Current assets	-	-	-	-
Current liabilities	-	-	-	-
Pension Scheme liability	-	-	-	-
Total net assets	-	-	-	-

Comparative analysis of net assets between funds

Fund balances at 31 August 2017 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Intangible fixed assets	-	-	5,024	**5,024**
Tangible fixed assets	-	-	11,577,193	**11,577,193**
Current assets	378,745	335,646	29,972	**744,363**
Current liabilities	-	(333,729)	-	**(333,729)**
Pension Scheme liability	-	(2,535,000)	-	**(2,535,000)**
Total net assets	378,745	(2,533,083)	11,612,189	**9,457,851**

Note that 2018 figures relate to 7 months of transactions September 2017 to March 2018

18 Capital commitments

	2018	2017
	£	£
Contracted for, but not provided in the financial statements	-	-

19 Commitments under operating leases

Operating leases

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

	2018	2017
	£	£
Amounts due within one year	-	3,672
Amounts due between one and five years	-	5,875
Amounts due after five years	-	-
	-	9,547

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

	2018	2017
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(9,897,851)	(658,669)
Adjusted for:		
Cash transferred to River Learning Trust	617,509	-
Amortisation (note 12)	2,290	3,925
Depreciation (note 13)	320,698	568,748
(Gain)/loss on disposal of fixed assets	-	(1,375)
Intangible fixed assets transferred to River Learning Trust	2,734	-
Tangible fixed assets transferred to River Learning Trust	11,275,700	-
Capital grants from DfE and other capital income	-	(22,326)
Interest receivable (note 6)	(1,307)	(4,230)
Defined benefit pension scheme cost less contributions payable (note 26)	111,000	(171,000)
Defined benefit pension scheme finance cost (note 26)	126,000	182,000
Defined benefit pension scheme liability transferred to River Learning Trust	(2,332,000)	-
(Increase)/decrease in debtors	101,586	9,603
Increase/(decrease) in creditors	(333,729)	(29,809)
Net cash used in operating activities	(7,370)	(123,133)

21 Cash flows from financing activities

	2018	2017
	£	£
Repayments of borrowing	-	-
Cash inflows from new borrowing	-	-
Net cash used in financing activities	-	-

22 Cash flows from investing activities

	2018	2017
	£	£
Dividends, interest and rents from investments	1,307	4,230
Proceeds from sale of tangible fixed assets	-	1,375
Purchase of intangible fixed assets	-	-
Purchase of tangible fixed assets	(19,205)	(66,757)
Capital grants from DfE Group	-	22,326
Net cash used in investing activities	(17,898)	(38,826)

Note that 2018 figures relate to 7 months of transactions September 2017 to March 2018

23 Analysis of cash and cash equivalents

	At 1 September 2017	Cash flows	**At 31 August 2018**
	£	£	**£**
Cash at bank and in hand	336,078	(336,078)	-
Notice deposits (less than 12 months)	306,699	(306,699)	-
	642,777	(642,777)	-

24 Contingent liabilities

There are no contingent liabilities that require disclosure.

25 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.

26 Pension and similar obligations

The academy trust's employees belonged to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Oxfordshire County Council. Both are multi-employer defined-benefit schemes. With effect from 1 April 2018, all employee rights under the TPS and LGPS and the liabilities under these schemes were transferred to River Learning Trust.

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 £Nil were payable to the schemes at 31 August 2018 (2017: £74,431) and are included within creditors.

Teachers' Pension Scheme

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

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

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

26 Pension and similar obligations (continued)

The Teachers' Pension Budgeting and Valuation Account (continued)

Valuation of the Teachers' Pension Scheme
The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key results of the valuation are:

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

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

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to TPS in the period amounted to £247,399 (2017: £424,025).

A copy of the valuation report and supporting documentation is on the Teachers' Pension Scheme website at the following location:
https://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx

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

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

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

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

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

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

26 Pension and similar obligations (continued)

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 2018 was £152,000 (2017: £244,000), of which employer's contributions totalled £119,000 (2017: £189,000) and employees' contributions totalled £33,000 (2017: £55,000).

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

Principal actuarial assumptions

	At 31 March 2018	**At 31 August 2017**
Rate of increase in salaries	**3.50%**	3.80%
Rate of increase for pensions in payment / inflation	**2.40%**	2.70%
Discount rate for scheme liabilities	**2.70%**	2.60%
Inflation assumption (CPI)	**2.40%**	2.70%
Commutation of pensions to lump sums	**50.00%**	50.00%

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

		At 31 March 2018	**At 31 August 2017**
Retiring today			
	Males	**23.4**	23.4
	Females	**25.5**	25.5
Retiring in 20 years			
	Males	**25.7**	25.7
	Females	**27.9**	27.9

Sensitivity analysis

	At 31 August 2018	**At 31 August 2017**
Present value of total obligation	**£**	**£**
Discount rate +0.1%	**-**	**4,943,000**
Discount rate -0.1%	**-**	**5,166,000**
Mortality assumption - 1 year increase	**-**	**5,218,000**
Mortality assumption - 1 year decrease	**-**	**4,894,000**
CPI rate +0.1%	**-**	**N/A**
CPI rate -0.1%	**-**	**N/A**

Note that 2018 figures relate to 7 months of transactions September 2017 to March 2018

26 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

The academy trust's share of the assets in the scheme were:

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	-	1,552,000
Gilts	-	375,000
Other bonds	-	122,000
Property	-	164,000
Cash	-	97,000
LLPs	-	82,000
Diversified growth fund	-	124,000
Alternative assets	-	2,000
Total market value of assets	-	2,518,000
Present value of scheme liabilities		
- Funded	-	(5,053,000)
Surplus/(deficit) in the scheme	-	(2,535,000)

For the period to 31 March 2018, the actual return on scheme assets was -£33,000 (2017: £283,000).

Amounts recognised in the statement of financial activities

	2018 £	2017 £
Current service cost (net of employee contributions)	245,000	371,000
Net interest cost	39,000	64,000
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	-	-
Administration expenses	-	-
Total amount recognised in the SOFA	284,000	435,000

Note that 2018 figures relate to 7 months of transactions September 2017 to March 2018

26 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	2018	2017
	£	£
At 1 September	5,053,000	5,065,000
Transferred out on existing academies leaving the trust	(4,944,000)	-
Current service cost	245,000	371,000
Interest cost	78,000	112,000
Employee contributions	33,000	55,000
Actuarial (gain)/loss	(440,000)	(543,000)
Estimated benefits paid net of transfers in	(25,000)	(7,000)
At 31 August	-	5,053,000

Changes in the fair value of academy's share of scheme assets:

	2018	2017
	£	£
At 1 September	2,518,000	2,047,000
Transferred out on existing academies leaving the trust	(2,612,000)	-
Interest income	39,000	48,000
Return on plan assets (excluding net interest on the net defined pension liability)	(72,000)	235,000
Actuarial gain/(loss)	-	(49,000)
Employer contributions	119,000	189,000
Employee contributions	33,000	55,000
Estimated benefits paid plus unfunded net of transfers in	(25,000)	(7,000)
At 31 August	-	2,518,000

Reconciliation of opening and closing deficit

	2018		2017	
	£	£	£	£
Pension deficit at 1 September		(2,535,000)		(3,018,000)
Current service cost	(245,000)		(371,000)	
Employer contributions	119,000		189,000	
Additional pension cost		(126,000)		(182,000)
Other finance (gains) / costs		(111,000)		171,000
Actuarial gains/(losses)		440,000		494,000
Transferred out on existing academy leaving the trust		2,332,000		-
Pension deficit at 31 August		-		(2,535,000)

Note that 2018 figures relate to 7 months of transactions September 2017 to March 2018

27 Related party transactions

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

No related party transactions took place in the period of account, other than certain trustee's remuneration and expenses already disclosed in note 10.

28 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting year ending 31 August 2018 the trust received £11,624 (2017: £12,862) and disbursed £6,534 (2017: £11,777) from the fund. An amount of £23,234 (2017: £18,144) (including brought forward from prior years) was included in other creditors relating to undistributed funds that are repayable to ESFA as at 31 March 2018. This balance was transferred to River Learning Trust as part of the transfer of Marlborough Church of England School.

29 Transfers of Existing Academy School out of the Academy Trust

On 31 March 2018, The Marlborough Church of England School transferred to River Learning Trust and all the operations and assets and liabilities were transferred for £nil consideration. The Marlborough Church of England School was the only academy in the academy trust. Following the transfer, no transactions took place in the academy trust.

	Transfer out on academy leaving the academy trust £
Intangible assets	
Computer Software	2,734
Tangible fixed assets	
Leasehold Land and Buildings	11,223,117
Furniture and equipment	17,749
Computer Equipment	34,834
Other assets	
Debtors due in less than one year	102,178
Cash in bank and in hand	617,511
Liabilities	
Creditors due in less than one year	(259,500)
Pensions	
Pensions - pension scheme liabilities	(2,332,000)
Net assets/(liabilities)	9,406,623