



Company Registration No. 08316633 (England and Wales)

MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019



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REFERENCE AND ADMINISTRATIVE DETAILS

Members

Mr A Anderson
Mr C Clapham (Resigned 26 March 2019)
Mr R Sawbridge MBE
Mr H Cooper (Resigned 26 March 2019)
Dr J Powell
Dr B Naylor (Appointed 25 September 2018)
Mrs J Dingvean (Appointed 26 March 2019)

Trustees

Mr I Colling* (Headteacher and Accounting Officer)
Mr H Cooper
Mrs S King*
Mr D Garratt*
Mr C Harte
Dr M Pobjoy*
Dr N Dixon
Dr B Naylor*
Dr J Powell (Chair of Trustees)
Mr T Redman (Resigned 19 July 2019)
Mr M Roberts (Resigned 14 March 2019)
Mr N Arnold*
Mr J Bilson
Mr C Clapham* (Resigned 13 August 2019)
Mrs A Gomes Dos Santos (Resigned 19 July 2019)
Mr N Russell* (Resigned 31 October 2018)
Dr A Martinho (Resigned 9 October 2019)
Mr G Ellis* (Appointed 4 December 2018)
Mr J Thorne* (Appointed 4 December 2018)
Ms Louise Bowe* (Appointed 4 December 2018)
Mrs S Thomas (Appointed 13 May 2019)
Dr Christian Leitmeir (Appointed 22 July 2019)
Miss H Pike (Appointed 22 July 2019)

**Finance Resources & Personnel Committee Members*

Senior management team

- Headteacher	Mr I Colling
- Deputy Head	Mr T Hollis
- Assistant Head	Mrs H Tudor-Price
- Assistant Head	Mr I Horner
- Assistant Head	Mr W Jakeman
- Business Director	Mrs J Creasey

Company secretary

Mrs W Willie

Company registration number

08316633 (England and Wales)

Registered office

Waynflete Avenue
Brackley
Northamptonshire
NN13 6FB



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor

Ellacotts LLP
Countrywide House
23 West Bar
Banbury
Oxfordshire
OX16 9SA
England

Bankers

Lloyds Bank
PO Box 1000
Andover
BX 1 1LT

Solicitors

Browne Jacobson
Victoria Square House
Victoria Square
Birmingham
B2 4BU



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The Trust operates an Academy for students aged 11 to 19 serving a catchment area in Brackley Northamptonshire. It has a student capacity of 1469 and had a roll of 1310 in the school census October 2018.

The Academy Trust's principal activities are to advance for the public benefit education in the United Kingdom in particular establishing, maintaining, managing and developing a school offering a broad and balanced curriculum for the benefit of individuals living in Brackley and the surrounding areas.

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 Magdalen College School Brackley Academy Trust Limited are also the Directors and Governors of the charitable company for the purposes of company law. The Charitable Company is known as Magdalen College School Brackley Academy Trust.

Details of the Trustees who served throughout the year except as noted 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

Governors benefit from indemnity insurance to cover the liability of the Governors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance in the year was included in the cover provided by the Department for Education's Risk Protection Arrangement Scheme.

Method of recruitment and appointment or election of Trustees

The Board of Trustees is responsible for appointing one Governor, up to four Community Governors and up to three Staff Governors. Northamptonshire Local Authority may appoint an LA Governor. A maximum of seven Parent Governors shall be elected by parents of registered pupils at the Academy by secret ballot. Magdalen College Oxford has the right to appoint up to four Foundation Governors. The Secretary of State may appoint additional Governors if such an action is felt appropriate.

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new Trustees will depend on their existing experience. Where necessary induction will provide training on charity and educational, legal and financial matters. All new members will be given a tour of the Academy and the opportunity to meet with staff and students. Members are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role. Induction is tailored specifically to the individual.



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

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

Organisational structure

The Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy's use of budget allocation and approving decisions regarding the strategic direction of the Academy, capital expenditure and senior staff appointments. The Headteacher is the Accounting Officer.

The leadership team of the school consists of the Headteacher, one Deputy Headteacher, two Assistant Headteachers and a Business Director. These managers control the Academy at an executive level implementing the policies laid down by the Trustees and reporting back to them. As a group the senior managers are responsible for the authorisation of spending within agreed budgets for areas within their responsibility and the appointment of staff, though appointment boards for senior posts always contain a Governor/Trustee. Some spending control for individual departmental budgets is devolved to members of the Middle Management Team, with limits above which a senior manager must countersign.

The middle leadership includes leaders of learning, heads of faculty, inclusion manager and support staff managers. These leaders are responsible for the day to day operation of the Academy, along with the leadership team, in particular organising the teaching staff, students, support staff and facilities.

Arrangements for setting pay and remuneration of key management personnel

The Trustees are free to set levels of pay and remuneration for all staff employed at the Academy. Current practice has been to implement the nationally recommended pay awards for both teaching staff and local government staff. The Trustees review any recommendations from the National School Teachers Review Body and Local Government Association for support staff taking into account considerations relating to equal pay, national living wage requirements, parity with other local secondary schools, cost of living increases and affordability. This is applied to all staff positions not just those with key management responsibilities.

Trade union facility time

Facility Time is the provision of paid or unpaid time off from an employee's normal role to undertake trade union duties and activities as a trade union representative. As a publicly funded body, Magdalen College School is required to collate and publish, on an annual basis, a range of data in relation to their usage and spend on trade union facility time in respect of their employees who are trade union representatives.

Relevant union officials

Number of employees who were relevant union officials during the relevant period	3
Full-time equivalent employee number	2.78

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	3
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

Total cost of facility time	-
Total pay bill	4,500,792
Percentage of the total pay bill spent on facility time	-

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-
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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019**

Trade unions play an important role in the modern workplace and there are considerable benefits to both employers and employees when organisations and trade unions work well together. In nearly all cases trade union representatives at Magdalen College School undertake their role in their own time and without any additional cost to the school.

Related parties and other connected charities and organisations

Mr R Sawbridge, a Member of the Academy Trust, is an Alderman of Northamptonshire County Council.

Mr H Cooper, a Member and Trustee of the Academy Trust, is a Governor at Waynflete Infants' School.

Ian Colling, Headteacher, Trustee and Accounting Officer, is a lead Ofsted Inspector. An arrangement exists where by the Academy is reimbursed for any Ofsted related activities as appropriate.

The College of St Mary Magdalen in the University of Oxford holds some of the land and buildings of the Academy – the St John's site. An arrangement is in place with the President and Scholars of the College of St Mary Magdalen in the University of Oxford for the use of the premises by the Academy Trust. The Academy is responsible for the maintenance, replacement and insurance, in joint names with the college, of the land and buildings.

Objectives and activities

Objects and aims

The principal objective and activity of the charitable company is the operation of the Magdalen College School Academy to provide a broad and balanced education for students of different abilities between the ages of 11 and 19 in Brackley and the surrounding areas.

The main objectives of the Academy during the year ended 31 August 2019 are summarised below:

- enabling each pupil to achieve their full potential as learners; and
- developing pupils' ability to make a positive contribution to the community.

Objectives, strategies and activities

The Academy's main strategy is encompassed in its mission statement which is 'To Make a Difference'. To this end the activities provided include:

- Tuition and learning opportunities for all students to attain appropriate academic qualifications;
- Training and development opportunities for all staff;
- Work experience placements for students with industrial and commercial partners;
- Engagement with local employers to support students develop employment skills and build on existing business links with the school;
- A comprehensive programme of sporting and extra-curricular activities both in school and after school available for all students;
- A system of extended learning days to offer opportunities for students to learn different skills and experience project based work to develop problem solving and team building skills;
- A careers advisory service to help students obtain employment or move on to higher education; and
- Supporting community events and promoting engagement for all.



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

Public benefit

The Trustees of the Academy have complied with their duty to have due regard to the guidance on Public Benefit published by the Charity Commission in exercising their powers and duties.

The activities undertaken to further the Academy Trust's purpose for the Public Benefit include promotion of and provision of education for the benefit of the local community of Brackley and the surrounding areas. In addition the Academy offers access to its facilities in order that a large number and variety of local community groups can meet and hold their activities generally outside of school hours for the benefit of the general public. Community based projects take place throughout the year, organised by staff and students which further enhances the public benefit.

Strategic report

Achievements and performance

The aims and objectives for the period to August 2019 are centred around academic excellence and personal development. Our mission statement states that we strive to make a difference to the lives of the pupils in the school, improve their life-chances and present them with opportunities to develop as individuals.

We are very pleased to report, therefore, that the progress made by pupils in key stage 4 continues to be in line with national averages. A-level outcomes also continue to remain broadly in line with expectations. All of these results are set in the context of a changing national assessment system and so we are especially pleased that pupils have achieved well in spite of so much uncertainty in the examinations system this summer.

Significant numbers of our year 13 pupils have moved on to higher education and others have secured apprenticeships and posts in their chosen careers.

Work to improve outcomes of disadvantaged pupils continues. A strategic approach to identify early those at risk of disengaging, through an attitudinal survey has been adopted. Literacy intervention for disadvantaged pupils is also in place to reduce the apparent gap in their skills, which limits their ability to access the curriculum. Routine reviews of the progress, behaviour and attendance of all pupils continue, with a particular focus on those identified as vulnerable learners.

To ensure that standards are continually raised the Academy adopts the following approaches:

- Regular data reviews to monitor the progress of pupils;
- A programme of lesson visits to monitor the quality of provision;
- Regular information to parents to engage them in the education of pupils to enable them to support their progress;
- High quality professional learning for staff, to enable them to develop a range of strategies to meet the needs of individual pupils; and
- Internal reviews to identify strengths and weaknesses in provision to enable improvements to be brought about.

Data analysis is now carried out using Go4Schools software package and the Level 3 Value-Added Tracker. These enable staff to monitor progress of pupils and to identify where there is underachievement.

The extended learning day programme and provision of extra-curricular activities continue, providing pupils with opportunities to develop their personal skills and their readiness for the workplace. The Magdalen Diploma is now well-established and provides a structure for pupils from year 8 upwards, to demonstrate the ways in which their personal development progresses, and links this to the skills they will need for the workplace.

Pastoral support continues to be a strength of the school and is recognised by parents and professionals from other organisations as providing excellent support.



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

Key performance indicators

Key financial performance indicators monitor financial success of the Academy Trust and progress/improvement against the targets set. These include:

- Staffing costs are monitored as a percentage of total income. For the year ended 31 August 2019 staffing costs amounted to 79% of the total income received including direct government grants received which is broadly in line with EFA guidance
- 1.2% of total income was spent on external staff training, development and other staffing related costs. The Academy uses its own professional resources to support training and development where ever possible
- 8.3% of total income was spent on premises maintenance, utilities, health and safety checks and compliance, cleaning and other associated costs. The Academy is responsible for a split site with historic buildings on one site and a large number of inherited conditions issues across both sites
- 5.5% of overall income spent on ICT infrastructure and capital investment
- 9% of total income was spent on learning resources, curriculum related expenditure and general operational resources

The Academy Trust also uses a number of non-financial key performance indicators to monitor its performance. These include:

- Progress 8 measure for GCSE – broadly in line with expectations
- Level 3 value added for A-level – in line with expectations, improved on 2018 and continues to be above the national average
- Student attendance rates – 95.87%
- OfSTED grading remained good (February 2016) – supporting the Academy's own self-evaluation

Risks to outstanding student achievement:

- Progress of disadvantaged pupils – the Academy wishes to improve these further
- Variation in outcomes between subjects across the curriculum at A-level

New initiatives:

- Implementation of the new Key Stage 3 curriculum
- Continued drive to raise further the expectations of quality of work of pupils
- High quality professional learning opportunities to support improved teaching
- More highly-focused leadership strategies to hold staff more rigorously to account and ensure that clear evidence is used to support decision-making and evaluation of the quality of provision

Going concern

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



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

Financial review

The main funding stream of the Academy's income is obtained from the Department of Education (DfE) in the form of recurrent grants disbursed via the Education & Skills Funding Agency (ESFA), the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2019 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the year ended 31 August 2019, total expenditure of £6,938,391 was funded by recurrent grant funding from the DfE together with other incoming resources. The excess of expenditure over income for the year was £326,967. The Academy received an advance of £100,000 from the ESFA to assist with the cash flow of capital works in 2017/18. This advance has been partially repaid during the period 2018/19 and will continue to be repaid into 2019/20.

At 31 August 2019, the net book value of fixed assets was £13,191,676 and movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of the Academy. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

The current pension liability is reported at £3.0m. The Secretary of State has announced that any pension deficit liabilities due should an Academy close will be underwritten by the DfE which reduces the risk to the Academy and is a welcome underwriting.

Reserves policy

An identified financial risk to the school is that of managing its short-term cash flow effectively. To mitigate this risk, the reserve policy states an appropriate reserves balance aim would equate to 1 weeks' worth of expenditure, both in terms of salaries and general expenditure. In broad terms this would equate to approximately £150,000.

Under the grant conditions set out by the Education & Skills Funding Agency (ESFA), at the beginning of the academic year 2018/19 there were no restrictions on the level of funds the Academy can only hold of unspent General Annual Grant (GAG) from previous years. For the year ending 2018/19 the value of uncommitted reserves was £21,456. This was due to continued control over expenditure during the previous years and the balance of restricted grants. The uncommitted reserves were planned in order to support predicted funding constraints going forward due to a falling student roll for the immediate future and uncertainties over the level of recurrent government grants. The number of students is increasing.

At 31 August 2019 the total funds comprised:

Unrestricted	£21,456
Restricted: Fixed Asset fund	£13,191,678
GAG	£369,430
School Funds	£17,572
Pension reserve deficit	<u>£(3,023,000)</u>
	£10,577,136

The deficit on the pension reserve relates to the non-teaching staff pension scheme where, unlike the teachers scheme, separate assets are held to fund future liabilities as discussed in note 19. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits. The restricted funds will be spent in accordance with the terms of the particular funds. Unrestricted funds are for use on the general purposes of the Academy, at the discretion of the Governors.



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

Investment policy

The Academy aims to manage its cash balance reserves to provide day to day working capital necessary to cover its liabilities and commitments. In addition the school aims to invest any surplus cash funds to optimise a return but ensuring no risk to those cash funds.

Objectives:

- To ensure adequate cash reserves are available to cover day to day operational needs
- To ensure there is no risk of the capital value of any cash funds invested
- To protect the capital value of funds against inflation
- To optimise return on invested funds

Principal risks and uncertainties

Through the Academy's risk management procedures, it has considered its principal risks and uncertainties and planned mitigating action wherever possible. The principal risks and uncertainties identified by the governing body are:

- Risks to Outstanding Student Achievement
 - Disadvantaged students make less than expected progress
 - Outcomes at A Level
- Financial Risk
 - Change / reduction in government funding – the Academy receives 98% of its income from government agencies
 - Urgent condition improvement work delayed due to insufficient funding
 - Mandatory increases in pension costs and national pay agreements
 - Change in government policy which has unfunded cost implications i.e. apprenticeship levy



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

Key measures that the Academy has in place to mitigate these risks include:

- Comprehensive assessment and tracking data of student achievement to support learning outcomes and academic success through target setting, lesson observations and staff training particularly focussing on the disadvantaged and gifted and talented students
- Review of A level outcomes. Focussing on student time management, exam board criteria, tracking and monitoring against targets. Emphasis on students gaining the best possible grades
- Student numbers are now increasing. Academic achievement is consistently above the national average. OFSTED graded the Academy Good - February 2016
- Support students to make appropriate subject choices at GCSE and A level to reflect their strengths and interests so as to give students the best possible chance of success
- Maintain close links with feeder schools to build on effective transition arrangements and develop familiarity for prospective students to encourage their choice of Magdalen College School as their preferred secondary school
- Attendance at government funding agency conferences and participation in focus groups to keep up to date with and influence as far as possible Academy funding methodology
- Active promotion of success and activities taking place during the year to capitalise on marketing opportunities to promote the work of the school
- Appropriate organisational staffing structure
- On-going commitment to improving the facilities and resources of the Academy to meet the needs of the curriculum and to provide a safe and stimulating environment for students funded through DfE revenue and capital grant funding streams
- Internal and external quality assurance reviews and self-assessments
- Robust financial management with transparent controls and procedures

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

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



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

Fundraising

The Academy is keen to support a range of good causes both locally, nationally and internationally and encourages involvement by students and the school community to raise funds periodically throughout the school year. The Student Council consider good causes for support on an annual basis and these are agreed with senior leaders to ensure those charities are appropriate. Recent charities supported include Red Nose Day, Katharine House Hospice, Macmillan, bags for schools and Royal British Legion Poppy appeal. Fund-raising is generally through non-uniform days, cake sales and an Advent Fayre. There is no obligation on students / parents or the community to support the charities and no students are excluded from participating in school fund raising events due to any financial constraints. The Academy works closely with its Parent / Teacher Association who work to raise funds for the school and its students.

Local businesses are keen to support the Academy and on occasion donate equipment or small cash donations to help towards specific projects or activities.

The Academy does not operate a regulated fund-raising scheme nor does it employ or use the services of a professional fund-raiser.

Plans for future periods

The Academy will continue to build on the work already in place and further support improvements for all students including:

- Supporting students to develop a curiosity for the world around them and to value their learning as well as the resulting outcomes
- Encouraging a passion and pride in what they do and encouraging them to be respectful of each other and the community
- To have a school where everyone is able to achieve their full potential
- Students develop as individuals and are prepared for adult life
- Staff are engaged with and contribute to the vision, ethos and future plans of the Academy
- Staff feel valued and listened to and are supported to bring about change and improvement
- Trustees/Governors continue to review their operations in order to effectively discharge their responsibilities, support school improvement and manage change
- There is a high level of engagement by stakeholders to support the education vision and provide positive opportunities for all

Funds held as custodian Trustee on behalf of others

The Academy holds no funds as custodian trustee on behalf of others.



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

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

Auditor

In so far as the Trustees are aware:

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

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 4.12.19 and signed on its behalf by:

Dr J Powell

Chair of Trustees



GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2019

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and are in accordance with the requirements and responsibilities assigned to it in the funding agreement between Magdalen College School Brackley Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
Mr I Colling (Headteacher and Accounting Officer)	6	6
Mr H Cooper	5	6
Mrs S King	5	6
Nr D Garratt	5	6
Mr C Harte	4	6
Dr M Pobjoy	4	6
Dr N Dixon	5	6
Dr B Naylor	5	6
Dr J Powell (Chair of Trustees)	6	6
Mr T Redman (Resigned 19 July 2019)	0	6
Mr M Roberts (Resigned 14 March 2019)	2	3
Mr N Arnold	4	6
Mr J Bilson	6	6
Mr C Clapham (Resigned 13 August 2019)	4	6
Mrs A Gomes Dos Santos (Resigned 19 July 2019)	2	6
Mr N Russell (Resigned 31 October 2018)	1	1
Dr A Martinho (Resigned 9 October 2018)	0	1
Mr G Ellis (Appointed 4 December 2018)	3	4
Mr J Thorne (Appointed 4 December 2018)	1	4
Ms Louise Bowe (Appointed 4 December 2018)	2	4
Mrs S Thomas (Appointed 13 May 2019)	1	1
Dr Christian Leitmeir (Appointed 22 July 2019)	0	0
Miss H Pike (Appointed 22 July 2019)	0	0



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

The Board of Trustees has remained fairly stable during the year to August 2019. 6 new Governors were appointed during the year. The board has access to a range of student progress and outcome data which informs their role to enable support and challenge to take place and enables improvements to student outcomes to remain a key focus of the trust's work. Trustees were involved in a number of initiatives including:

- Governor monitoring visits during the year
- Greater scrutiny of disadvantaged student data throughout the academic year
- Greater scrutiny of specific student data to identify opportunities to improve outcomes
- Support for marketing and promotion of the school's successes
- Attending staff training sessions and staff forums
- Reviewing competency and skill sets within committees
- Reviewing the committee structures
- Reviewing their role in supporting the leadership and management of the school and production of a Governor development plan
- Reviewing feedback from staff and student surveys
- Involvement staff exit interviews
- Involvement in staff appointments

The Finance Resources and Personnel Committee is a sub-committee of the main Board of Trustees. Its involvement during the year included:

- Oversee the strategic development of the Academy's resources
- Continue the close links of the management of the financial resources provided by the Department for Education (DfE) and any other sources
- Approve the distribution of those requirements and priorities established by the governing body and other committees
- Monitor the management accounts and cash flow monthly
- Ensure the annual accounts are produced in accordance with the requirements of the Companies Act 2006 and the DfE guidance issued to academies and to recommend approval of the annual accounts
- Review of the management, use and improvement of the school's grounds and accommodation
- Ensuring health and safety issues are dealt with appropriately
- Ensure appropriate insurance is in place
- To respond to any significant matters arising from the work of auditors and any other independent body reporting directly to the Academy
- To recommend the appointment of auditors on an annual basis

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
Mr I Colling (Headteacher and Accounting Officer)	2	3
Mrs S King	1	3
Nr D Garratt	3	3
Dr M Pobjoy	1	3
Dr B Naylor	3	3
Mr N Arnold	0	3
Mr C Clapham (Resigned 13 August 2019)	3	3
Mr G Ellis (Appointed 4 December 2018)	1	2
Mr J Thorne (Appointed 4 December 2018)	1	2
Ms Louise Bowe (Appointed 4 December 2018)	0	2



GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

The Audit Committee, known as the Chairs Committee, is a sub-committee of the main Board of Trustees. Its membership is made up of the chairs of all the other sub-committees. Its main purpose during the year is:

- To provide a strategic overview of the Academy's development
- To ensure a high quality provision of teaching, learning and achievements is in place
- To advise the Trustees on a regular basis of the effectiveness of the Academy's arrangements for risk management, financial control and governance processes

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
Mr I Colling (Headteacher and Accounting Officer)	4	4
Nr D Garratt	4	4
Dr B Naylor	4	4
Dr J Powell (Chair of Trustees)	4	4
Mr J Bilson	3	4

Review of value for money

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

The Accounting Officer considers how the Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

Improving educational outcomes

Improving educational results for our students remains our key priority. The achievements at GCSE and A level continue to be above the national average. The Academy focuses on each student and has taken the following steps to support the school improvement for all:

- Raising aspirations and challenge to support all students to achieve their full potential
- Small group work to support literacy and numeracy
- Targeted individual support for pupil premium students and under-performing groups of students particularly in literacy and numeracy
- Review of the curriculum offering to ensure high quality teaching and resources are meeting students' needs
- Monitoring and follow up of policy implementation particularly marking and assessment to ensure that all students receive regular formative feedback to enable them to improve their work
- Strategic approach to improving the quality of teaching and learning
- Launching the diplomas and scholarship programmes to raise aspirations and challenge students further
- Working with external organisation to challenge our assumption and our strategic vision to ensure robustness and relevance
- Successfully securing resources from both the ESFA and other grant providers to extend learning opportunities and improve facilities
- Regularly reviewing financial commitments to control costs

The Academy is committed to supporting students to achieve their full potential through academic achievement, scholarship and diploma programmes, extra-curricular opportunities and extended learning to develop the whole person to help them prepare for higher education, further training and work.



GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Targeted improvement

The Academy has a robust tracking system for monitoring achievement and is continually looking at how data can inform staff in order for them to support and extend the learning of the students. We have employed skilled staff to support our school improvement agenda and we involve all our teams in focusing on the students learning needs and encourage innovation and creativity to meet those needs. Individual targets are known to students and their parents in order that students are fully aware and supported to achieve.

New initiatives

- The Academy has continued to develop robust monitoring and tracking of pupil premium students and funding to ensure that resources are targeted appropriately to allow this group of students to secure the best of outcomes
- Improvement in behaviour to eliminate low level disruption in lessons
- High quality development programmes for teachers aimed at improving classroom practice
- Increased accountability to staff through regular robust monitoring of policy implementation
- Using staff time effectively
- Diploma and scholarship programmes to encourage student development and provide academic challenge and commitment outside of the main curriculum
- Working in conjunction with local businesses to further develop employment and work based skills

Focus on individual pupils

The Academy offers students a comprehensive student support service and specialist learning provision. Students benefit from one to one mentoring, small group work, external educational provision where appropriate and our experienced teams work with students to support their individual needs.

The Academy rewards excellence and encourages positive behaviour. We celebrate achievement and encourage students to try new activities to develop their confidence and leadership skills.

Our house system develops a sense of community across the school and gives students an opportunity to work as a team across the year groups, develop skills and brings a healthy competitive edge to competitions and events.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. In addition to on-going internal controls and procedures the Academy Trust has appointed Ellacotts Accountants to undertake periodic system and process control checks on their behalf and report accordingly.

The system of internal control has been in place in Magdalen College School Brackley Academy Trust for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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



GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance Resources and Personnel Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed:

- Ellacotts LLP, the external auditor, to perform additional checks throughout the year.

The auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. After each visit, the auditor reports to the Trustees, through the Finance Resources and Personnel Committee, on the operation of the systems of control and on the discharge of the Board of Governors' financial responsibilities. In particular the checks carried out in the current period included:

- Testing of payroll systems
- Testing of purchases systems
- Testing of control accounts/bank reconciliation
- Review of fixed assets monitoring.

On a regular basis the auditor reports to the Board of Trustees, through the Finance Resources and Personnel Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. Three visits took place during the year in question. A minor issue relating to control accounts was raised and has been actioned.

Review of effectiveness

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

- Reports from the Business Director
- Reports from the external auditor
- Involvement of the senior 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 Resources and Personnel Committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the Board of Trustees on 4.12.19 and signed on its behalf by:

Mr I Colling
Headteacher and Accounting Officer

Dr J Powell
Chair of Trustees



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2019

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

I confirm that I and the Academy Trust's 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 2018.

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

I Colling

Mr I Colling
Accounting Officer

4.12.19
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MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees (who are also the directors of Magdalen College School Brackley Academy Trust for the purposes of company law) are responsible for preparing the Trustees' report (including the strategic report and directors' 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 the incoming resources and application of resources, including its income and expenditure.

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 2018 to 2019;
- make judgements 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 operation.

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 that grants received from the Education & Skills Funding Agency and Department for Education 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 4.12.19 and signed on its behalf by:

Dr J Powell
Chair of Trustees



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2019

Opinion

We have audited the financial statements of Magdalen College School Brackley Academy Trust for the year ended 31 August 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the '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.



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Other information

The Trustees are responsible for the other information, which comprises the information included in the Trustees' annual report other than the financial statements and our auditor's report thereon. Other information includes the Trustees' report (incorporating the strategic report and the directors' report), the governance statement and the Accounting Officer's statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report including the incorporated strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report including the incorporated strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of 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, including the incorporated strategic report and directors' report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, set out on page 20, the Trustees (who are also the Directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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

Charlotte Toemaes

Charlotte Toemaes BSc ACA (Senior Statutory Auditor)

for and on behalf of Ellacotts LLP

Chartered Accountants

Statutory Auditor

Countrywide House

23 West Bar

Banbury

Oxfordshire

England

OX16 9SA

Date: *9/12/19*



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST
INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON
REGULARITY TO MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST
AND THE EDUCATION & SKILLS FUNDING AGENCY
FOR THE YEAR ENDED 31 AUGUST 2019

In accordance with the terms of our engagement letter dated 15 October 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Magdalen College School Brackley Academy Trust during the period 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Magdalen College School Brackley Academy Trust's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Magdalen College School Brackley Academy Trust's funding agreement with the Secretary of State for Education dated 27 July 2012 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by 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:

- reviewing the minutes of the meetings of the Board and other evidence available to us relevant to our consideration of regularity;
- reviewing the objectives and activities of the Academy with reference to the income and other information available to us as auditors of the Academy Trust;
- testing a sample of payroll payments to staff;
- testing a sample of payments to suppliers and other third parties; and
- testing a sample of grants received and other income.



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

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

W. W. W. W.

Reporting Accountant

Ellacotts LLP
Countrywide House
23 West Bar
Banbury
Oxfordshire
OX16 9SA
England

Dated: *9/12/19*



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2019 £	Total 2018 £
Income and endowments from:						
Donations and capital grants	3	377	18,426	178,051	196,854	110,311
Charitable activities:						
- Funding for educational operations	4	-	6,308,680	-	6,308,680	5,986,399
Other trading activities	5	105,406	-	-	105,406	151,578
Investments	6	484	-	-	484	365
Total		<u>106,267</u>	<u>6,327,106</u>	<u>178,051</u>	<u>6,611,424</u>	<u>6,248,653</u>
Expenditure on:						
Charitable activities:						
- Educational operations	8	99,313	6,407,609	431,469	6,938,391	6,615,958
Total	7	<u>99,313</u>	<u>6,407,609</u>	<u>431,469</u>	<u>6,938,391</u>	<u>6,615,958</u>
Net income/(expenditure)		6,954	(80,503)	(253,418)	(326,967)	(367,305)
Transfers between funds	17	-	(31,257)	31,257	-	-
Other recognised gains/(losses)						
Actuarial (losses)/gains on defined benefit pension schemes	19	-	(867,000)	-	(867,000)	453,000
Net movement in funds		6,954	(978,760)	(222,161)	(1,193,967)	85,695
Reconciliation of funds						
Total funds brought forward		14,502	(1,657,238)	13,413,839	11,771,103	11,685,408
Total funds carried forward		<u>21,456</u>	<u>(2,635,998)</u>	<u>13,191,678</u>	<u>10,577,136</u>	<u>11,771,103</u>



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2019

Comparative year information Year ended 31 August 2018	Notes	Unrestricted	Restricted funds:		Total
		Funds	General	Fixed asset	2018
		£	£	£	£
Income and endowments from:					
Donations and capital grants	3	494	22,074	87,743	110,311
Charitable activities:					
- Funding for educational operations	4	-	5,986,399	-	5,986,399
Other trading activities	5	151,578	-	-	151,578
Investments	6	365	-	-	365
Total		<u>152,437</u>	<u>6,008,473</u>	<u>87,743</u>	<u>6,248,653</u>
Expenditure on:					
Charitable activities:					
- Educational operations	8	153,649	6,043,519	418,790	6,615,958
Total	7	<u>153,649</u>	<u>6,043,519</u>	<u>418,790</u>	<u>6,615,958</u>
Net expenditure		(1,212)	(35,046)	(331,047)	(367,305)
Transfers between funds	17	-	(126,395)	126,395	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	19	-	453,000	-	453,000
Net movement in funds		(1,212)	291,559	(204,652)	85,695
Reconciliation of funds					
Total funds brought forward		15,714	(1,948,797)	13,618,491	11,685,408
Total funds carried forward		<u>14,502</u>	<u>(1,657,238)</u>	<u>13,413,839</u>	<u>11,771,103</u>



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

BALANCE SHEET AS AT 31 AUGUST 2019

	Notes	2019		2018	
		£	£	£	£
Fixed assets					
Tangible assets	12		13,191,676		13,351,338
Current assets					
Debtors	13	140,244		183,809	
Cash at bank and in hand		669,494		568,447	
		<u>809,738</u>		<u>752,256</u>	
Current liabilities					
Creditors: amounts falling due within one year	14	(387,178)		(368,491)	
Net current assets			422,560		383,765
Total assets less current liabilities			<u>13,614,236</u>		<u>13,735,103</u>
Creditors: amounts falling due after more than one year	15		(14,100)		(50,000)
Net assets before defined benefit pension scheme liability			<u>13,600,136</u>		<u>13,685,103</u>
Defined benefit pension scheme liability	19		(3,023,000)		(1,914,000)
Total net assets			<u>10,577,136</u>		<u>11,771,103</u>
Funds of the Academy Trust:					
Restricted funds	17				
- Fixed asset funds			13,191,678		13,413,839
- Restricted income funds			387,002		256,762
- Pension reserve			(3,023,000)		(1,914,000)
Total restricted funds			<u>10,555,680</u>		<u>11,756,601</u>
Unrestricted income funds	17		21,456		14,502
Total funds			<u>10,577,136</u>		<u>11,771,103</u>

The accounts as set out on pages 26 to 49 were approved by the Board of Trustees and authorised for issue on 4.12.19 and are signed on its behalf by:

Dr J Powell
Chair of Trustees

Company Number 08316633



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Net cash provided by operating activities	20		195,349		333,398
Cash flows from investing activities					
Dividends, interest and rents from investments		484		365	
Capital grants from DfE Group		178,051		25,243	
Capital funding received from sponsors and others		-		62,500	
Purchase of tangible fixed assets		(271,807)		(264,438)	
Net cash used in investing activities			(93,272)		(176,330)
Cash flows from financing activities					
Finance costs		(1,030)		-	
Net cash used in financing activities			(1,030)		-
Net increase in cash and cash equivalents in the reporting period			101,047		157,068
Cash and cash equivalents at beginning of the year			568,447		411,379
Cash and cash equivalents at end of the year			669,494		568,447



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

Magdalen College School Brackley Academy Trust is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Trustees' report.

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.

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

Magdalen College School Brackley Academy Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

1.3 Income

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

Grants

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

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

Sponsorship income

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.



1 Accounting policies

(Continued)

Donations

Donations are recognised on a receivable basis 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'.

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

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.



1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require 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, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold property	2-4% straight line
Computer equipment	25% straight line
Fixtures and fittings	20% straight line
Motor vehicles	25% straight line

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

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

1.6 Liabilities

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

1.7 Leased assets

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.8 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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



1 Accounting policies

(Continued)

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 Taxation

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

1.10 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 and the assets are held separately from those of the Academy Trust.

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. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are 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.

1.11 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department for Education 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.



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

1.12 Licence to occupy

The President and Scholars of the College of St Mary Magdalen in the University of Oxford own the freehold interest in the St John's Buildings which are occupied by the Academy on a rent free licence. Full details of the arrangement are detailed in note 12.

The directors have considered the guidance in the Academies Accounts Direction 2018 to 2019 paragraph 8.7.5 in relation to properties occupied under licence. Having considered the arrangements under which the Academy Trust is occupying the land and buildings, for the reasons given in note 12, the directors have concluded that the arrangement should not be included as an asset on the balance sheet and the directors have not included any value of land or buildings in the financial statements.

2 Critical accounting estimates and areas of judgement

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, 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 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

Useful lives of fixed assets - depreciation is provided so as to write down the assets to their residual values over their estimated useful lives as set out in the Academy's accounting policies. Useful lives are regularly reviewed and should they shorten, then depreciation charges would increase in the financial statements and the carrying amounts of the fixed assets would reduce accordingly.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Capital grants	-	178,051	178,051	87,743
Other donations	377	18,426	18,803	22,568
	<u>377</u>	<u>196,477</u>	<u>196,854</u>	<u>110,311</u>

In 2018, of the total income from donations and capital grants, £494 was to unrestricted funds, £22,074 was to restricted funds and £87,743 was to restricted fixed assets funds.



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
DfE / ESFA grants				
General annual grant (GAG)	-	5,836,654	5,836,654	5,604,692
Other DfE group grants	-	218,425	218,425	157,614
	<u>-</u>	<u>6,055,079</u>	<u>6,055,079</u>	<u>5,762,306</u>
Other government grants				
Local authority grants	-	34,251	34,251	27,722
	<u>-</u>	<u>34,251</u>	<u>34,251</u>	<u>27,722</u>
Other funding				
School funds	-	211,511	211,511	181,023
Other incoming resources	-	7,839	7,839	15,348
	<u>-</u>	<u>219,350</u>	<u>219,350</u>	<u>196,371</u>
Total funding	<u>-</u>	<u>6,308,680</u>	<u>6,308,680</u>	<u>5,986,399</u>

In 2018, of the total income from charitable activities, £Nil was to unrestricted funds and £5,986,399 was to restricted funds.

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Letting Income	34,922	-	34,922	29,266
Other income	70,484	-	70,484	122,312
	<u>105,406</u>	<u>-</u>	<u>105,406</u>	<u>151,578</u>

In 2018, of the total income from other trading activities, £151,578 was to unrestricted funds and £Nil was to restricted funds.

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Other investment income	484	-	484	365
	<u>484</u>	<u>-</u>	<u>484</u>	<u>365</u>

In 2018, of the total investment income, £365 was to unrestricted funds and £Nil was to restricted funds.



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

7 Expenditure

	Staff costs £	Non Pay Expenditure Premises £	Other £	Total 2019 £	Total 2018 £
Academy's educational operations					
- Direct costs	4,351,811	-	558,240	4,910,051	4,618,664
- Allocated support costs	756,723	946,582	325,035	2,028,340	1,997,294
	<u>5,108,534</u>	<u>946,582</u>	<u>883,275</u>	<u>6,938,391</u>	<u>6,615,958</u>

In 2019, of the total expenditure, £99,313 (2018: £153,649) was to unrestricted funds, £6,839,078 (2018: £6,462,309) was to restricted funds.

Net income/(expenditure) for the year includes:	2019 £	2018 £
Fees payable to auditor for:		
- Audit	7,000	7,000
- Other services	3,750	5,250
Operating lease rentals	11,275	10,283
Depreciation of tangible fixed assets	431,469	418,790
Bank and loan interest	1,030	-
Net interest on defined benefit pension liability	55,000	56,000
	<u>550,529</u>	<u>536,323</u>

8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Direct costs				
Educational operations	25,614	4,884,437	4,910,051	4,618,664
Support costs				
Educational operations	73,699	1,954,641	2,028,340	1,997,294
	<u>99,313</u>	<u>6,839,078</u>	<u>6,938,391</u>	<u>6,615,958</u>

	2019 £	2018 £
Analysis of support costs		
Support staff costs	604,170	569,045
Depreciation	431,469	418,790
Technology costs	95,578	85,197
Premises costs	515,113	556,848
Other support costs	367,449	349,321
Governance costs	14,561	18,093
	<u>2,028,340</u>	<u>1,997,294</u>



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

9 Staff

Staff costs

Staff costs during the year were:

	2019 £	2018 £
Wages and salaries	3,751,749	3,494,812
Social security costs	349,564	332,150
Pension costs	832,671	795,019
Staff costs	4,933,984	4,621,981
Agency staff costs	174,550	193,337
Staff restructuring costs	-	7,629
Staff development and other staff costs	58,489	56,095
Total staff expenditure	5,167,023	4,879,042
Staff restructuring costs comprise:		
Severance payments	-	7,629
	-	7,629

Staff numbers

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

	2019 Number	2018 Number
Teachers	74	75
Administration and support	81	83
Management	6	6
	161	164

Higher paid staff

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

	2019 Number	2018 Number
In the band £60,001 - £70,000	1	1
In the band £90,001 - £100,000	1	1

The above employees participated in the Teachers' Pension Scheme. During the period ended 31 August 2019, pension contributions for these staff amounted to £26,936 (2018: £27,137).



9 Staff

(Continued)

Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £469,591 (2018: £462,590).

10 Trustees' remuneration and expenses

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

The value of Trustees' remuneration and other benefits was as follows:

I Colling (Headteacher and Accounting Officer):

- Remuneration £95,000 - £100,000 (2018: £95,000 - £100,000)
- Employer's pension contributions £15,000 - £20,000 (2018: £15,000 - £20,000)

S King (Staff Trustee):

- Remuneration £20,000 - £25,000 (2018: £15,000-£20,000)
- Employer's pension contributions £0 - £5,000 (2018: £0-£5,000)

N Dixon (Staff Trustee):

- Remuneration £50,000 - £55,000 (2018: £50,000 - £55,000)
- Employer's pension contributions £5,000 - £10,000 (2018: £5,000-£10,000)

M Roberts (Staff Trustee):

- Remuneration £15,000- £20,000 (2018: £30,000 - £35,000)
- Employer's pension contributions £0 - £5,000 (2018: £5,000 - £10,000)

S Thomas (Staff Trustee):

- Remuneration £10,000 - £15,000
- Employer's pension contributions £0 - £5,000

During the year, travel and subsistence payments totalling £Nil (2018: £Nil) were reimbursed or paid directly to Nil Trustees (2018: Nil Trustees).

Other related party transactions involving the Trustees are set out within the related parties note.

11 Trustees and officers insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2019. The cost of this insurance is included in the total insurance cost.



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

12 Tangible fixed assets

	Leasehold property £	Computer equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 September 2018	15,205,934	446,347	390,430	14,250	16,056,961
Additions	166,607	76,337	10,780	18,083	271,807
At 31 August 2019	15,372,541	522,684	401,210	32,333	16,328,768
Depreciation					
At 1 September 2018	1,926,907	374,036	390,430	14,250	2,705,623
Charge for the year	390,493	38,409	712	1,855	431,469
At 31 August 2019	2,317,400	412,445	391,142	16,105	3,137,092
Net book value					
At 31 August 2019	13,055,141	110,239	10,068	16,228	13,191,676
At 31 August 2018	13,279,027	72,311	-	-	13,351,338

Assets that are not depreciated

Included within Leasehold property is £2,906,350 of land that is not depreciated.

Licence to occupy

The President and Scholars of the College of St Mary Magdalen in the University of Oxford own the freehold interest in the St John's Buildings which are occupied by the Academy on a rent free licence, the terms of which have been agreed between the Secretary of State and The President and Scholars of St Mary Magdalen in the University of Oxford. The licence delegates aspects of the management of the land (and buildings) to the Academy Trust for the time being, but does not vest any rights over the land in the Academy Trust, the terms of which have been agreed between the Secretary of State and The President and Scholars of St Mary Magdalen in the University of Oxford, and within which is contained a termination clause that The President and Scholars of the College of St Mary Magdalen in the University of Oxford may give not less than two years notice.

The land and buildings at Waynflete Avenue, occupied by the Academy are held under a 125-year lease from Northamptonshire County Council.

The Academy is responsible for the maintenance and insurance of the land and buildings. Any further capital works to the St John's Buildings, funded by the Academy, require prior approval of The President and Scholars of the College of St Mary Magdalen in the University of Oxford. If the Academy is in breach of its obligation to maintain the upkeep of the land and buildings, The President and Scholars of the College of St Mary Magdalen in the University of Oxford may give not less than six months notice to terminate the agreement. Improvements to the land and buildings are capitalised as Leasehold Property.



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

13 Debtors	2019	2018
	£	£
Trade debtors	1,700	682
VAT recoverable	42,971	69,527
Prepayments and accrued income	95,573	113,600
	<u>140,244</u>	<u>183,809</u>

14 Creditors: amounts falling due within one year	2019	2018
	£	£
Trade creditors	166,773	146,376
Other taxation and social security	86,614	80,813
Other creditors	52,606	50,869
Accruals and deferred income	81,185	90,433
	<u>387,178</u>	<u>368,491</u>

Included within Other creditors is a balance of £2,350 (2018: £nil) relating to a CIF loan from ESFA. This loan is unsecured, interest free and will be repaid within 1 year.

Included within Other creditors is a balance of £nil (2018: £869) relating to a loan from Northamptonshire County Council Salix Finance Ltd. This loan is unsecured, interest free and will be repaid within 1 year.

Included within Other creditors is a balance of £50,000 (2018: £50,000) relating to a CIF loan from ESFA. This loan is unsecured, has interest of 0.0103% and will be repaid within 1 year.

15 Creditors: amounts falling due after more than one year	2019	2018
	£	£
Other creditors	14,100	50,000
	<u>14,100</u>	<u>50,000</u>

Included within Other creditors is a balance of £14,100 (2018: £nil) relating to a Salix loan from ESFA. This loan is unsecured, interest free and will be repaid within 8 years.

Included within Other creditors is a balance of £nil (2018: £50,000) relating to a CIF loan from ESFA. This loan is unsecured, has interest of 0.0103% and will be repaid within 2 years.



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

16 Deferred income	2019	2018
	£	£
Deferred income is included within:		
Creditors due within one year	53,736	65,114
	<u> </u>	<u> </u>
Deferred income at 1 September 2018	65,114	51,551
Released from previous years	(65,114)	(51,551)
Resources deferred in the year	53,736	65,114
	<u> </u>	<u> </u>
Deferred income at 31 August 2019	53,736	65,114
	<u> </u>	<u> </u>

At the balance sheet date the Academy Trust was holding funds received in advance for rates, school trips and devolved formula capital grant.



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

17 Funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General Annual Grant (GAG)	239,190	5,836,654	(5,675,157)	(31,257)	369,430
Other DfE / ESFA grants	-	38,773	(38,773)	-	-
Pupil Premium	-	108,196	(108,196)	-	-
Catch Up Premium	-	71,456	(71,456)	-	-
Local Authority	-	34,251	(34,251)	-	-
GUTP Teacher Recharge	-	7,839	(7,839)	-	-
Parental Contributions	-	18,426	(18,426)	-	-
School Funds	17,572	211,511	(211,511)	-	17,572
Pension reserve	(1,914,000)	-	(242,000)	(867,000)	(3,023,000)
	<u>(1,657,238)</u>	<u>6,327,106</u>	<u>(6,407,609)</u>	<u>(898,257)</u>	<u>(2,635,998)</u>
Restricted fixed asset funds					
Transfer on conversion	11,549,066	-	(314,289)	-	11,234,777
Devolved formula capital	35,467	26,434	(15,659)	-	46,242
Capital expenditure from GAG	36,844	-	(19,296)	-	17,548
Capital expenditure other funds	1,792,462	151,617	(82,225)	31,257	1,893,111
	<u>13,413,839</u>	<u>178,051</u>	<u>(431,469)</u>	<u>31,257</u>	<u>13,191,678</u>
Total restricted funds	<u>11,756,601</u>	<u>6,505,157</u>	<u>(6,839,078)</u>	<u>(867,000)</u>	<u>10,555,680</u>
Unrestricted funds					
General funds	<u>14,502</u>	<u>106,267</u>	<u>(99,313)</u>	<u>-</u>	<u>21,456</u>
Total funds	<u>11,771,103</u>	<u>6,611,424</u>	<u>(6,938,391)</u>	<u>(867,000)</u>	<u>10,577,136</u>

£31,257 of capital expenditure during the year has been funded from General Annual Grant (GAG). This is represented by a transfer between the funds.

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

Restricted general funds will be used for educational purposes in line with the Academy's objects and its funding agreement with the Department for Education.

Restricted fixed assets funds amounting to £13,191,678 will be reserved against future depreciation charges.

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



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

17 Funds

(Continued)

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general funds					
General Annual Grant (GAG)	165,439	5,604,692	(5,402,970)	(127,971)	239,190
Other DfE / ESFA grants	-	38,012	(39,588)	1,576	-
Pupil Premium	-	106,734	(106,734)	-	-
Catch Up Premium	-	12,868	(12,868)	-	-
Local Authority	-	27,722	(27,722)	-	-
GUTP Teacher Recharge	-	15,348	(15,348)	-	-
Parental Contributions	-	22,074	(22,074)	-	-
School Funds	19,764	181,023	(183,215)	-	17,572
Pension reserve	(2,134,000)	-	(233,000)	453,000	(1,914,000)
	<u>(1,948,797)</u>	<u>6,008,473</u>	<u>(6,043,519)</u>	<u>326,605</u>	<u>(1,657,238)</u>
Restricted fixed asset funds					
Transfer on conversion	11,807,057	-	(340,319)	82,328	11,549,066
DfE group capital grants	38,735	25,243	-	(28,511)	35,467
Capital expenditure from GAG	34,746	-	(6,661)	8,759	36,844
Capital expenditure other funds	1,737,953	62,500	(71,810)	63,819	1,792,462
	<u>13,618,491</u>	<u>87,743</u>	<u>(418,790)</u>	<u>126,395</u>	<u>13,413,839</u>
Total restricted funds	<u>11,669,694</u>	<u>6,096,216</u>	<u>(6,462,309)</u>	<u>453,000</u>	<u>11,756,601</u>
Unrestricted funds					
General funds	15,714	152,437	(153,649)	-	14,502
	<u>15,714</u>	<u>152,437</u>	<u>(153,649)</u>	<u>-</u>	<u>14,502</u>
Total funds	<u>11,685,408</u>	<u>6,248,653</u>	<u>(6,615,958)</u>	<u>453,000</u>	<u>11,771,103</u>



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

18 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	13,191,676	13,191,676
Current assets	21,456	784,303	2	809,738
Creditors falling due within one year		(383,201)	-	(387,178)
Creditors falling due after one year	-	(14,100)	-	(14,100)
Defined benefit pension liability	-	(3,023,000)	-	(3,023,000)
Total net assets	21,456	(2,635,998)	13,191,678	10,577,136

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	-	-	13,351,338	13,351,338
Current assets	48,566	641,189	62,501	752,256
Creditors falling due within one year	(34,064)	(334,427)	-	(368,491)
Creditors falling due after one year	-	(50,000)	-	(50,000)
Defined benefit pension liability	-	(1,914,000)	-	(1,914,000)
Total net assets	14,502	(1,657,238)	13,413,839	11,771,103

19 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012, and that of the LGPS related to the period ended 31 March 2016.

Contributions amounting to £nil were payable to the schemes at 31 August 2019 (2018: £nil).

Teachers' Pension Scheme

Introduction

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

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



19 Pension and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £429,605 (2018: £409,158).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate Trustee-administered funds. The total contributions are as noted below. The estimated value of employer contributions for the forth coming year is £210,000. The agreed contribution rates for future years are between 23.6% and 24.6% for employers and between 5.5% and 12.5% for employees.

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

Total contributions made	2019	2018
	£	£
Employer's contributions	216,000	209,000
Employees' contributions	57,000	54,000
	<hr/>	<hr/>
Total contributions	273,000	263,000
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MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

19 Pension and similar obligations (Continued)

Principal actuarial assumptions	2019 %	2018 %
Rate of increase in salaries	2.6	2.7
Rate of increase for pensions in payment/inflation	2.3	2.4
Discount rate for scheme liabilities	1.8	2.8

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

	2019 Years	2018 Years
Retiring today		
- Males	21.2	22.1
- Females	23.3	24.2
Retiring in 20 years		
- Males	22.3	23.9
- Females	24.7	26.1

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at 31 August 2019:	Approximate % increase to Employer Liability	Approximate monetary amount £'s
0.5% decrease in Real Discount Rate	12%	820,000
0.5% increase in the Salary Increase Rate	2%	101,000
0.5% increase in the Pension Increase Rate	11%	704,000

The Academy Trust's share of the assets in the scheme	2019 Fair value £	2018 Fair value £
Equities	2,630,880	2,419,800
Bonds	621,180	490,500
Cash	73,080	98,100
Property	328,860	261,600
Total market value of assets	3,654,000	3,270,000

The actual return on scheme assets was £167,000 (2018: £160,000).



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

19 Pension and similar obligations	(Continued)	
Amount recognised in the Statement of Financial Activities	2019	2018
	£	£
Current service cost	403,000	386,000
Past service cost	22,000	-
Interest income	(95,000)	(75,000)
Interest cost	150,000	131,000
Benefit changes, curtailments and settlements gains or losses	(22,000)	-
	<hr/>	<hr/>
Total operating charge	458,000	442,000
	<hr/> <hr/>	<hr/> <hr/>
Changes in the present value of defined benefit obligations		2019
		£
At 1 September 2018		5,184,000
Current service cost		381,000
Interest cost		150,000
Employee contributions		57,000
Actuarial loss/(gain)		939,000
Benefits paid		(56,000)
Past service cost		22,000
		<hr/>
At 31 August 2019		6,677,000
		<hr/> <hr/>
Changes in the fair value of the Academy Trust's share of scheme assets		2019
		£
At 1 September 2018		3,270,000
Interest income		95,000
Actuarial gain		72,000
Employer contributions		216,000
Employee contributions		57,000
Benefits paid		(56,000)
		<hr/>
At 31 August 2019		3,654,000
		<hr/> <hr/>



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

20 Reconciliation of net expenditure to net cash flow from operating activities

	2019 £	2018 £
Net expenditure for the reporting period (as per the statement of financial activities)	(326,967)	(367,305)
Adjusted for:		
Capital grants from DfE and other capital income	(178,051)	(87,743)
Investment income receivable	(484)	(365)
Finance costs payable	1,030	-
Defined benefit pension costs less contributions payable	187,000	177,000
Defined benefit pension scheme finance cost	55,000	56,000
Depreciation of tangible fixed assets	431,469	418,790
Decrease in debtors	43,565	276,497
(Decrease) in creditors	(17,213)	(139,476)
Net cash provided by operating activities	195,349	333,398

21 Contingent liabilities

At 31 August 2019, the Academy Trust owed £nil (2018: £34,263) to contractors in relation to a dispute over capital works. These amounts are not provided for in the financial statements on the basis that they are not expected to be payable.

22 Commitments under operating leases

At 31 August 2019 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2019 £	2018 £
Amounts due within one year	22,891	8,296
Amounts due in two and five years	38,096	3,015
	<u>60,987</u>	<u>11,311</u>

23 Capital commitments

	2019 £	2018 £
Expenditure contracted for but not provided in the financial statements	199,384	-



24 Related party transactions

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

In prior years, the Academy Trust was a member of the Brackley Area Learning Partnership (BALP) whose membership included local primary and junior schools along with Magdalen College School Brackley Academy Trust to provide group purchasing and shared training opportunities. Each school appoints one representative to the board of the Partnership. Magdalen College School Brackley Academy was no longer part of BALP during 2019.

The Academy Trust received income from BALP of £nil (2018: £12,522) in respect of recharges for finance support, hospitality costs and training fees.

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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.