

Registered number: 08316633

MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST
(A company limited by guarantee)

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MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016

| | |
|--|--|
| Members and Trustees | Mr A Anderson, Chairman Mr C Clapham Mr S Dawe |
| Member | Mr R Sawbridge MBE |
| Trustees | Mr I Colling, Headteacher and Accounting Officer Mr H Cooper Mrs C Jackman Prof R Dunbar Mrs S King, Staff Trustee Mrs J Wright Mr D Garratt Mr C Harte Dr M Pobjoy Dr N Dixon, Staff Trustee Mr J Bilson Mr I Tweed, Staff Trustee (resigned 31 August 2016) Dr J Powell Mr T Redman Dr R Fairman Mrs N Nichol Mr M Roberts (appointed 12 May 2016) |
| Company registration number | 08316633 |
| Company name | Magdalen College School Brackley Academy Trust |
| Principal and registered office | Magdalen College School Waynflete Avenue Brackley Northamptonshire NN13 6FB |
| Company secretary | Mrs W Willie |
| Senior management team | Mr I Colling, Headteacher Mr T Hollis, Deputy Head Mrs H Tudor-Price, Assistant Head Mr I Horner, Assistant Head Mrs J Creasey, Business Director |
| Independent auditor | MHA MacIntyre Hudson Chartered Accountants Peterbridge House The Lakes Northampton NN4 7HB |

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS TRUSTEES AND ADVISERS
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Advisers (continued)

Bankers

Lloyds Bank
PO Box 1000
Andover
BX1 1LT

Solicitors

Browne Jacobson
Victoria Square House
Victoria Square
Birmingham
B2 4BU

MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2015 to 31 August 2016. 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 1160 in the school census on 21st January 2016.

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 charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the academy trust.

The trustees of Magdalen College School Brackley Academy Trust are also the directors of the charitable company for the purpose of company law.

The charitable company is known as Magdalen College School Academy Trust.

Details of the trustees who served during the year 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 £1,037.

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

The board of trustees is responsible for appointing one trustee, up to four Community trustees and up to three Staff trustees. Northamptonshire Local Authority may appoint an LA trustee. A maximum of seven parent trustees 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 trustees. The Secretary of State may appoint additional trustees if such an action is felt appropriate.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

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 trustees will be given a tour of the academy and the chance to meet with staff and students. All trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees. Induction is tailored specifically to the individual.

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 over 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 department 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 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.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

RELATED PARTIES AND OTHER CONNECTED CHARITIES AND ORGANISATIONS

The Academy Trust is a member of the Brackley Area Learning Partnership (BALP) whose membership includes 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. There are currently nine member schools.

The Academy Trust is also a member of the South West Area Northamptonshire Education Partnership (SWANEP) who as a group of Secondary Schools, work together to share good practice and support teaching and learning development.

Mr R Sawbridge, as a member of the Academy Trust, is a Councillor for the Middleton Cheney division of Northamptonshire County Council.

Mr H Cooper, a Trustee of the Academy Trust, is a governor at Waynflete Infants' School. Waynflete Infants' School is a member of the Brackley Area Learning Partnership (BALP).

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 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. Full details of the arrangement are detailed in note 12.

The academy is responsible for the maintenance, replacement and insurance, in joint names with the college, of the land and buildings.

MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Objectives and Activities

OBJECTS AND AIMS

The principal object and activity of the charitable company is the operation of the Magdalen College School Brackley Academy Trust 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 Trust during the year ended 31 August 2016 are summarised below:

- To enable everyone to achieve their full potential;
- To enable students to develop as individuals and to be prepared for adult life, supported by high-quality enrichment opportunities;
- To enable students to be healthy (physically and mentally) and active;
- To achieve high levels of engagement of stakeholders in the life of the school to support positive opportunities for all students.

OBJECTIVES, STRATEGIES AND ACTIVITIES

The Academy Trust'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;
- To engage 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.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

PUBLIC BENEFIT

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

The activities undertaken to further the Academy Trust's purpose for the Public Benefit 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 and community ICT training courses also 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 2016 are centred on academic success and opportunities for personal development and challenge. Our mission statement states that we strive to make a difference to the lives of the students, improve their life chances and present them with opportunities to develop as individuals.

We are therefore once again delighted with the achievements of our students in the examination results for 2016. 75% of our students gained A* - C in both English and Maths at GCSE which is significantly above the national average. 82.8% of students made expected progress in maths and 78.7% of students made expected progress in English. We are proud of students' achievements.

Students achieve consistently high at A2 with an over 98% pass rate of which 32% were grades at A* - B. Achievement at AS level was exceptionally high with 95% achieving a pass rate of A* - E which attracted an Advanced Level Performance System (ALPS) T Score 2. A T score of 2 is deemed to be outstanding when compared against national data; showing a marked improvement from a 5 for 2015. An ALPS score of 2 shows the academy's performance at AS level is in the top 10% of schools nationally.

Many of the year 13 students leave for Higher Education with a number attending top universities nationally and a significant number have secured routes to a variety of professional careers.

The achievement of disadvantaged students remains a key target for the Academy and work is underway to continue to narrow the gap between these students and the rest of the student body. 8 out of 15 disadvantaged students achieved A* - C in both English and Maths. Disadvantaged students have continued to receive targeted intervention programmes in English and Maths where appropriate and a renewed emphasis has been raised across all subjects to ensure students were able to take advantage of all opportunities available through the school and other external partnerships.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

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

- Detailed analysis of data leading to focused interventions in and out of lessons.
- A programme of observation of lessons;
- A programme of targeted professional learning for teaching staff to develop their practice, in-house and in collaboration with the local teaching school alliance;
- Visits by inspectors and other external professional colleagues.

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.

The Academy continues to use SISRA and ALPS for target setting and monitoring educational attainment. Quantifiable data from RAISEonline on Key Stage 4 GCSE outcomes is rigorously examined to ensure levels of attainment and progress are being achieved for all groups of students.

ALPS scores are used to monitor and evaluate outcomes at Key Stage 5. Once outcomes are received members of the senior leadership team and Governor learning and achievement committee review the previous year's performance, comment on lessons learnt and highlight areas for further development required to improve on performance year on year. The Academy conducts internal reviews to monitor the quality of teaching and learning against Ofsted criteria.

Exam Results Summer 2016 (last year's figures in brackets)

- A* - C in En and Ma = 75% (73%) – Nat – 58%
- A-level pass rate A* - E = 98% (98.9%)
- A-level pass rate A* - B = 32% (40.6%)
- AS pass rate (A* - E) = 95% (90%)
- AS ALPS T Score = 2 (5)
- A ALPS T Score = 7 (6)

Students have also been involved in extended leadership programmes, curriculum enrichment off-site visits, community and charity initiatives and the academy continues to develop links with local businesses.

The Academy continued the process of reviewing the curriculum and staff structure. This was to ensure the academy are continuing to meet the needs of students, that the focus is clearly on raising achievement within the finances available.

The provision for student pastoral services continues to be a highly effective area of the school.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

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 2016 staffing costs amounted to 75% 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 staff training, development and other staffing related costs. The Academy uses its own professional resources to support training and development where ever possible
- 9.5% of total income was spent on premises maintenance, 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.
- 2.55% of overall income spent on ICT infrastructure and capital investment.
- 83% of capital grant received spent on capital improvements and ICT investment. The remainder forms part of restricted grants carried forward into the following year.

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

- The percentage of students achieving A*- C in both English and Maths at GCSE is significantly above national averages.
- Consistently high achievement at A level
- An outstanding score of AS performance significantly above national average
- Student attendance rates – for the year ended 31 August 2016 was 95.7%
- The quality of teaching is good overall and we are working to develop this towards outstanding.
- Ofsted grading remained 'Good' February 2016 supporting the Trusts own Self Evaluation.

GOING CONCERN

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

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

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 Funding Agency (EFA), the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2016 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the year ended 31 August 2016, total expenditure of £7,152,748 was funded by recurrent grant funding from the DfE together with other incoming resources and brought forward funds. The surplus funds (excluding pension reserve and restricted fixed assets) at the end of the year were £182,301.

For the year ended 31 August 2016 a Condition Improvement Capital Grant fund (CIF) was secured for capital improvements. Funding of £571,284 was allocated to address major condition issues relating to windows and student toilet and changing room provision. The majority of the work was completed within the year. The remainder of the work is due to take place towards the start of the next financial year. The grant income has been accounted for in its entirety in the year ended 31 August 2016 due to the grant being considered guaranteed.

At 31 August 2016 the net book value of fixed assets was £13,341,251 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. 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 £3,226,000. 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 Funding Agency (EFA), at the beginning of the academic year 2015 / 16 there were no restrictions on the level of the academy can only hold of unspent General Annual Grant (GAG) from previous years. For the year ending 31 August 2016 the value of uncommitted reserves was £182,301. This was due to a savings attributed to a staffing restructure during 2013/14, continued control over expenditure during the following years. The uncommitted reserves were planned in order to support predicted funding constraints going forward due to uncertainties over the level of recurrent government grants. The number of students is now increasing.

At 31 August 2016 the total funds comprised:

| | |
|-------------------------------|-------------------|
| Unrestricted | 5,700 |
| Restricted: Fixed asset funds | 13,389,086 |
| GAG | 166,154 |
| Pension reserve deficit | (3,226,000) |
| Other | 10,447 |
| | <u>10,345,387</u> |

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FOR THE YEAR ENDED 31 AUGUST 2016

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.

INVESTMENT POLICY

The school 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 A2
- Financial Risk
 - Change / reduction in government funding – the Academy receives 96% of its income from Government agencies;
 - Urgent condition improvement work delayed due to insufficient funding;
 - Mandatory increases in pension costs and national pay agreements

Key controls 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.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

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

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

PLANS FOR FUTURE PERIODS

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

- To have a school where everyone is able to achieve their full potential
- To raise student aspirations and broaden their horizons
- To prepare students for further study and the world of work
- To celebrate hard work and achievement
- Students are healthy, both physically and mentally, and are active
- Students develop as individuals and are prepared for adult life.
- Students develop a range of skills both academically and vocationally to enhance further education, training and employment opportunities.
- Students have the right to feel safe at all times.
- The curriculum is high quality, affordable and sustainable.
- Staff are engaged with and contribute to the vision, ethos and future plans of the Academy.
- Staff development and training is available to all staff groups and encouraged.
- 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.
- To explore the opportunities of working alongside other Academies to share good practice and enhance student achievement opportunities.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

AUDITOR

In so far as the trustees are aware:

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

The auditor, MHA MacIntyre Hudson, has indicated its willingness to continue in office. The Designated trustees will propose a motion re-appointing the auditor at a meeting of the trustees.

Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on *6/12/16* and signed on its behalf by:


Mr A Anderson
Chair of Trustees

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GOVERNANCE STATEMENT

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 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:

| Trustee | Meetings attended | Out of a possible |
|--|-------------------|-------------------|
| Mr H Cooper | 6 | 6 |
| Mrs J Wright | 5 | 6 |
| Mr A Anderson, Chairman | 6 | 6 |
| Dr J Powell | 5 | 6 |
| Mr I Colling, Headteacher and Accounting Officer | 6 | 6 |
| Mr T Redman | 5 | 6 |
| Dr M Pobjoy | 4 | 6 |
| Prof R Dunbar | 3 | 6 |
| Mr C Clapham | 5 | 6 |
| Mrs C Jackman | 5 | 6 |
| Mr J Bilson | 5 | 6 |
| Mr C Harte | 3 | 6 |
| Mrs N Nichol | 4 | 6 |
| Dr R Fairman | 4 | 6 |
| Mr D Garratt | 6 | 6 |
| Dr N Dixon, Staff Trustee | 4 | 6 |
| Mrs S King, Staff Trustee | 6 | 6 |
| Mr I Tweed, Staff Trustee | 1 | 5 |
| Mr M Roberts | 1 | 1 |
| Mr S Dawe | 6 | 6 |

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GOVERNANCE STATEMENT (continued)

The Board of Trustees has remained fairly stable during the year to 31 August 2016. 1 new governor was appointed during the year. 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 tracking of pupil premium students
- 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 in staff exit interviews
- Involvement in staff appointments
- Approve the statutory accounts.

The Finance and Resources Committee is a sub-committee of the main Board of Trustees / Governing Body. 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 resources in the annual budget in accordance with the school improvement plan and the requirements and priorities established by the governing body and other committees
- 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 appoint auditors on an annual basis.

Attendance at meetings in the year was as follows:

| Trustee | Meetings attended | Out of a possible |
|--|-------------------|-------------------|
| Mr I Colling, Headteacher and Accounting Officer | 4 | 4 |
| Mrs J Wright, Chair of Committee | 4 | 4 |
| Mr H Cooper | 3 | 4 |
| Mr S E Dawe | 3 | 4 |
| Mr J M A Bilson | 2 | 4 |
| Mr A Anderson, Chairman | 4 | 4 |
| Mr D Garratt | 4 | 4 |
| Mrs S King, Staff Trustee | 4 | 4 |
| Mr C Clapham | 4 | 4 |

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GOVERNANCE STATEMENT (continued)

The Audit Committee, known as the Chairs Committee, is also 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:

- To provide a strategic overview of the academy's development
- To ensure a high quality provision of teaching, learning and achievement 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:

| Trustee | Meetings attended | Out of a possible |
|--|-------------------|-------------------|
| Mr I Colling, Headteacher and Accounting Officer | 4 | 4 |
| Mrs J Wright | 3 | 4 |
| Mr S E Dawe | 3 | 4 |
| Mr H Cooper | 1 | 1 |
| Mr J M A Bilson | 4 | 4 |
| Mr A Anderson | 4 | 4 |
| Mr D Garratt | 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 school improvement for all by:

- 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 organisations to challenge our assumptions and our strategic vision to ensure robustness and relevance.
- Successfully securing resources from both the EFA 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 achieve their full potential through academic achievement, scholarship and diploma programmes, extra-curricular opportunities and extended learning to develop the whole

MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST
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GOVERNANCE STATEMENT (continued)

person to help them prepare them for higher education, further training and work.

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 the student is 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 outcomes.
- Improvement in behaviour to eliminate low level disruption in lessons.
- High quality development programmes for teachers aimed at improving classroom practice.
- Increased accountability of 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, develops 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 MacIntyre Hudson Accountants to undertake periodic system and process control checks on their behalf and report accordingly.

This system of internal control has been in place in Magdalen College School Academy Trust for the period 1st September 2015 to 31 August 2016 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 year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the

MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST
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GOVERNANCE STATEMENT (continued)

board of trustees.

THE RISK AND CONTROL FRAMEWORK

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body;
- Regular reviews by the Finance and Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- 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:

- MHA MacIntyre Hudson, 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 and Resources Committee, on the operation of the systems of control and on the discharge of the board of Governors' financial responsibilities. Three visits took place during the year in question.

MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST
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GOVERNANCE STATEMENT (continued)

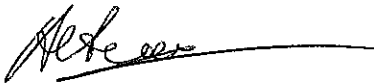
REVIEW OF EFFECTIVENESS

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:

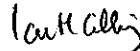
- Reports from the Business Director
- Reports from the Chair of the Finance and Resources Committee on behalf of the Governing Body
- Reports from the external auditor;
- Involvement of the senior managers within the Academy Trust who have responsibility for the development and maintenance of the internal 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 and Resources Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 6/12/16 and signed on their behalf, by:



Mr A Anderson
Chair of Trustees



Mr I Colling
Accounting Officer

MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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 Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2015.

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 EFA.

Ian Colling

Mr I Colling
Accounting Officer

MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2016

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 6/12/16 and signed on its behalf by:



Mr A Anderson
Chair of Trustees

MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST
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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST**

We have audited the financial statements of Magdalen College School Brackley Academy Trust for the year ended 31 August 2016 which comprise the statement of financial activities incorporating income and expenditure account, the balance sheet, the statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the statement of trustees' responsibilities, the trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the academy trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

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 2016 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 2015 to 2016 issued by the Education Funding Agency.

MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST**

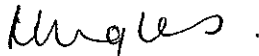
OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' report, incorporating the Strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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



Rebecca Hughes BSc(Hons) FCCA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

Peterbridge House
The Lakes
Northampton
NN4 7HB

Date: 14 December 2016

MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 7 July 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, 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 year 1 September 2015 to 31 August 2016 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 the EFA 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 the EFA 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 the EFA, 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 20 December 2012, and the Academies Financial Handbook extant from 1 September 2015, 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 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 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 2015 to 2016 issued by the EFA. 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.

MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST
(A company limited by guarantee)

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

The work undertaken to draw to our conclusion includes;

- Reviewing the minutes of meetings of the board of trustees and other evidence made available to us, relevant to our consideration of regularity;
- A review of the objectives and activities of the academy, with reference to the income streams and other information available to us as auditors of the company;
- Testing a sample of payroll payments to staff;
- Testing a sample of payments to suppliers and other third parties;
- Testing a sample of grants received and other income streams; and
- Evaluating the internal control procedures and reporting lines, and testing as appropriate.

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

MHA MacIntyre Hudson

MHA MacIntyre Hudson

Chartered Accountants

Peterbridge House
The Lakes
Northampton
NN4 7HB

Date:

14 December 2016

MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2016

| | Note | Unrestricted funds 2016 £ | Restricted funds 2016 £ | Restricted fixed asset funds 2016 £ | Total funds 2016 £ | Total funds 2015 £ |
|---|-------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| INCOME FROM: | | | | | | |
| Donations and capital grants | 2 | 28,461 | 13,653 | 596,603 | 638,717 | 489,045 |
| Charitable activities: Funding for the academy trust's educational operations | 3 | - | 5,983,861 | - | 5,983,861 | 6,518,876 |
| Other trading activities | 4 | 89,282 | - | - | 89,282 | 189,587 |
| Investments | 5 | 1,019 | - | - | 1,019 | 766 |
| TOTAL INCOME | | 118,762 | 5,997,514 | 596,603 | 6,712,879 | 7,198,274 |
| EXPENDITURE ON: | | | | | | |
| Raising funds | | 152,295 | 13,653 | - | 165,948 | 230,636 |
| Charitable activities: Academy trust educational operations | | 1,485 | 6,459,272 | 526,043 | 6,986,800 | 7,011,456 |
| TOTAL EXPENDITURE | 6 | 153,780 | 6,472,925 | 526,043 | 7,152,748 | 7,242,092 |
| NET INCOME / (EXPENDITURE) BEFORE TRANSFERS | | | | | | |
| Transfers between Funds | 16 | (35,018) | (475,411) | 70,560 | (439,869) | (43,818) |
| | | - | 141,520 | (141,520) | - | - |
| NET EXPENDITURE BEFORE OTHER RECOGNISED GAINS AND LOSSES | | | | | | |
| | | (35,018) | (333,891) | (70,960) | (439,869) | (43,818) |
| Actuarial losses on defined benefit pension schemes | 16,19 | - | (1,098,000) | - | (1,098,000) | (43,000) |
| NET MOVEMENT IN FUNDS | | (35,018) | (1,431,891) | (70,960) | (1,537,869) | (86,818) |
| RECONCILIATION OF FUNDS: | | | | | | |
| Total funds brought forward | | 40,718 | (1,617,508) | 13,460,046 | 11,883,256 | 11,970,074 |
| TOTAL FUNDS CARRIED FORWARD | | 5,700 | (3,049,399) | 13,389,086 | 10,345,387 | 11,883,256 |

MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08316633

BALANCE SHEET
AS AT 31 AUGUST 2016

| | Note | £ | 2016 £ | £ | 2015 £ |
|--|------|--------------------|--------------------------|--------------------|--------------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 12 | | 13,341,251 | | 13,134,746 |
| CURRENT ASSETS | | | | | |
| Debtors | 13 | 380,063 | | 137,520 | |
| Cash at bank and in hand | | 664,306 | | 1,048,790 | |
| | | | <u>1,044,369</u> | <u>1,186,310</u> | |
| CREDITORS: amounts falling due within one year | 14 | (808,667) | | (405,406) | |
| NET CURRENT ASSETS | | | <u>235,702</u> | | 780,904 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>13,576,953</u> | | 13,915,650 |
| CREDITORS: amounts falling due after more than one year | 15 | | <u>(5,566)</u> | | <u>(9,394)</u> |
| NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES | | | <u>13,571,387</u> | | 13,906,256 |
| Defined benefit pension scheme liability | 19 | | (3,226,000) | | (2,023,000) |
| TOTAL NET ASSETS | | | <u><u>10,345,387</u></u> | | <u><u>11,883,256</u></u> |
| FUNDS OF THE ACADEMY | | | | | |
| Restricted funds: | | | | | |
| Restricted income fund | 16 | 176,601 | | 405,492 | |
| Fixed asset fund | 16 | 13,389,086 | | 13,460,046 | |
| Restricted income funds excluding pension liability | | 13,565,687 | | 13,865,538 | |
| Pension reserve | | (3,226,000) | | (2,023,000) | |
| Total restricted funds | | | <u>10,339,687</u> | | 11,842,538 |
| Unrestricted income funds | 16 | | 5,700 | | 40,718 |
| TOTAL FUNDS | | | <u><u>10,345,387</u></u> | | <u><u>11,883,256</u></u> |

MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST
(A company limited by guarantee)

BALANCE SHEET (continued)
AS AT 31 AUGUST 2016

The financial statements were approved by the trustees, and authorised for issue, on
6/12/16 and are signed on their behalf, by:

Mr A Anderson
Chair of Trustees



The notes on pages 31 to 51 form part of these financial statements.

MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

| | Note | 2016 £ | 2015 £ |
|--|------|-----------------------|-------------------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 21 | <u>351,756</u> | <u>814,899</u> |
| Cash flows from investing activities: | | | |
| Dividends, interest and rents from investments | | 1,019 | 766 |
| Purchase of tangible fixed assets | | <u>(732,548)</u> | <u>(321,825)</u> |
| Net cash used in investing activities | | <u>(731,529)</u> | <u>(321,059)</u> |
| Cash flows from financing activities: | | | |
| Repayments of borrowings | | <u>(4,711)</u> | <u>(4,716)</u> |
| Net cash used in financing activities | | <u>(4,711)</u> | <u>(4,716)</u> |
| Change in cash and cash equivalents in the year | | (384,484) | 489,124 |
| Cash and cash equivalents brought forward | | <u>1,048,790</u> | <u>559,666</u> |
| Cash and cash equivalents carried forward | | <u><u>664,306</u></u> | <u><u>1,048,790</u></u> |

MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

Magdalen College School Brackley Academy Trust constitutes a public benefit entity as defined by FRS 102.

First time adoption of FRS 102

These financial statements are the first financial statements of Magdalen College School Brackley Academy Trust prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Magdalen College School Brackley Academy Trust for the year ended 31 August 2016 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015.

Reconciliations to previous UK GAAP for the comparative figures are included in note 25.

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 academy trust to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.3 Income

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

Grants

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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the statement of financial activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

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 is certainty of receipt and it is measurable.

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'.

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be 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.

Donations

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

Other income

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.4 Expenditure

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

Expenditure on Raising Funds

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities incorporating income and expenditure account and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities incorporating income and expenditure account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

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 |
| Motor vehicles | - | 25% straight line |
| Fixtures and fittings | - | 20% straight line |
| Computer equipment | - | 25% straight line |

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 Provisions

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

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

1.8 Leased assets

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

1.9 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 2015 to 2016 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.10 Taxation

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

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

1.11 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. As stated in note 19, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.12 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 and include grants from the Department for Education.

1.13 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 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 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

| | Unrestricted funds 2016 £ | Restricted funds 2016 £ | Restricted fixed asset funds 2016 £ | Total funds 2016 £ | Total funds 2015 £ |
|----------------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| Donations | 28,461 | 13,653 | - | 42,114 | 19,280 |
| Capital grants | - | - | 596,603 | 596,603 | 469,765 |
| | <u>28,461</u> | <u>13,653</u> | <u>596,603</u> | <u>638,717</u> | <u>489,045</u> |

In 2015, of the total income from donations and capital grants, £ *NIL* was to unrestricted funds, £19,280 was to restricted funds and £469,765 was to restricted fixed asset funds.

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

| | Unrestricted funds 2016 £ | Restricted funds 2016 £ | Total funds 2016 £ | Total funds 2015 £ |
|--------------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| DfE/EFA grants | | | | |
| General annual grant (GAG) | - | 5,479,149 | 5,479,149 | 6,079,382 |
| Other Dfe/EFA grants | - | 177,190 | 177,190 | 138,417 |
| | <u>-</u> | <u>5,656,339</u> | <u>5,656,339</u> | <u>6,217,799</u> |
| Other government grants | | | | |
| Special educational needs | - | 25,340 | 25,340 | 45,678 |
| | <u>-</u> | <u>25,340</u> | <u>25,340</u> | <u>45,678</u> |
| Other funding | | | | |
| School funds | - | 289,548 | 289,548 | 246,841 |
| Other grants | - | 12,634 | 12,634 | 8,558 |
| | <u>-</u> | <u>302,182</u> | <u>302,182</u> | <u>255,399</u> |
| | <u>-</u> | <u>5,983,861</u> | <u>5,983,861</u> | <u>6,518,876</u> |

In 2015, of the total income from charitable activities, £ *NIL* was to unrestricted funds and £6,518,876 was to restricted funds.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

4. ACTIVITIES FOR GENERATING FUNDS

| | Unrestricted funds 2016 £ | Restricted funds 2016 £ | Total funds 2016 £ | Total funds 2015 £ |
|-----------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Lettings income | 39,022 | - | 39,022 | 45,146 |
| Other income | 50,260 | - | 50,260 | 144,441 |
| | <u>89,282</u> | <u>-</u> | <u>89,282</u> | <u>189,587</u> |

In 2015, of the total income from other trading activities, £189,587 was to unrestricted funds and £ NIL was to restricted funds.

5. INVESTMENT INCOME

| | Unrestricted funds 2016 £ | Restricted funds 2016 £ | Total funds 2016 £ | Total funds 2015 £ |
|------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Bank interest received | 1,019 | - | 1,019 | 766 |

In 2015, of the total investment income, £ 766 was to unrestricted funds and £ NIL was to restricted funds.

6. EXPENDITURE

| | Staff costs 2016 £ | Premises 2016 £ | Other costs 2016 £ | Total 2016 £ | Total 2015 £ |
|--|--------------------------|-----------------------|--------------------------|--------------------|--------------------|
| Expenditure on raising voluntary income | - | - | 81,347 | 81,347 | 6,536 |
| Expenditure on fundraising trading | 35,056 | - | 49,545 | 84,601 | 224,100 |
| Academy's educational operations: | | | | | |
| Direct costs | 4,263,454 | - | 557,091 | 4,820,545 | 4,729,104 |
| Allocated support costs | 521,933 | 1,194,363 | 449,959 | 2,166,255 | 2,282,352 |
| | <u>4,820,443</u> | <u>1,194,363</u> | <u>1,137,942</u> | <u>7,152,748</u> | <u>7,242,092</u> |

In 2016, of the total expenditure, £153,780 (2015 - £228,463) was to unrestricted funds, £6,998,968 (2015 - £7,013,629) was to restricted funds.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

7. CHARITABLE ACTIVITIES

| | Direct costs 2016 £ | Support costs 2016 £ | Total 2016 £ | Total 2015 £ |
|------------------------|------------------------------|-------------------------------|--------------------|--------------------|
| Educational operations | <u>4,820,545</u> | <u>2,166,255</u> | <u>6,986,800</u> | <u>7,011,456</u> |

Analysis of support costs

| | 2016 £ | 2015 £ |
|----------------------------|-------------------------|-------------------------|
| Support staff costs | 521,933 | 586,582 |
| Depreciation | 526,043 | 507,015 |
| Technology costs | 98,150 | 94,062 |
| Premises costs | 668,320 | 580,481 |
| Other support costs | 336,479 | 506,032 |
| Governance costs | 15,330 | 8,180 |
| Total support costs | <u><u>2,166,255</u></u> | <u><u>2,282,352</u></u> |

8. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

| | 2016 £ | 2015 £ |
|--|---------------|---------------|
| Depreciation of tangible fixed assets: | | |
| - owned by the charity | 526,043 | 507,015 |
| Fees payable to auditor for - audit | 8,000 | 8,000 |
| Fees payable to auditor for - other services | 4,050 | - |
| Operating lease rentals | <u>37,846</u> | <u>25,044</u> |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

9. STAFF COSTS

Staff costs were as follows:

| | 2016 £ | 2015 £ |
|--|-------------------------|-------------------------|
| Wages and salaries | 3,733,684 | 3,906,997 |
| Social security costs | 309,746 | 287,229 |
| Operating costs of defined benefit pension schemes | 689,262 | 663,020 |
| | <u>4,732,692</u> | <u>4,857,246</u> |
| Supply teacher costs | 87,751 | 137,617 |
| Staff restructuring costs | - | 2,100 |
| | <u><u>4,820,443</u></u> | <u><u>4,996,963</u></u> |

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

| | 2016 No. | 2015 No. |
|----------------------------|-------------|-------------|
| Teachers | 71 | 90 |
| Administration and support | 97 | 119 |
| Management | 5 | 5 |
| | <u>173</u> | <u>214</u> |

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

| | 2016 No. | 2015 No. |
|--------------------------------|-------------|-------------|
| 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 2016, pension contributions for these staff amounted to £26,331 (2015 - £22,081).

During the year severance payments of £Nil (2015 - £2,100) were made to no employees (2015 - 1 employee).

The key management personnel of the academy trust comprise the trustees and 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 £508,601 (2015 - £526,253).

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10. TRUSTEES' REMUNERATION AND EXPENSES

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

| | | 2016 £ | 2015 £ |
|--|----------------------------|---------------|---------------|
| I Colling, Headteacher and Accounting Officer | Remuneration | 90,000-95,000 | 90,000-95,000 |
| | Pension contributions paid | 15,000-20,000 | 10,000-15,000 |
| S King, Staff Trustee | Remuneration | 15,000-20,000 | 15,000-20,000 |
| | Pension contributions paid | 0-5,000 | 0-5,000 |
| N Dixon, Staff Trustee | Remuneration | 45,000-50,000 | 45,000-50,000 |
| | Pension contributions paid | 5,000-10,000 | 5,000-10,000 |
| I Tweed, Staff Trustee | Remuneration | 20,000-25,000 | 40,000-45,000 |
| | Pension contributions paid | 0-5,000 | 5,000-10,000 |
| M Roberts, Staff Trustee | Remuneration | 10,000-15,000 | |
| | Pension contributions paid | 0-5,000 | |

During the year, travel and subsistence expenses totalling £804 (2015 - £180) were reimbursed to 3 trustees (2015 - 1 trustee).

11. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2016 was £1,037 (2015 - £1,037).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

12. TANGIBLE FIXED ASSETS

| | Leasehold property £ | Motor vehicles £ | Fixtures and fittings £ | Computer equipment £ | Total £ |
|-----------------------|----------------------------|------------------------|-------------------------------|----------------------------|-------------------|
| Cost | | | | | |
| At 1 September 2015 | 13,711,741 | 14,250 | 390,430 | 328,604 | 14,445,025 |
| Additions | 702,000 | - | - | 30,548 | 732,548 |
| At 31 August 2016 | <u>14,413,741</u> | <u>14,250</u> | <u>390,430</u> | <u>359,152</u> | <u>15,177,573</u> |
| Depreciation | | | | | |
| At 1 September 2015 | 910,521 | 9,501 | 208,229 | 182,028 | 1,310,279 |
| Charge for the year | 357,128 | 3,563 | 78,086 | 87,266 | 526,043 |
| At 31 August 2016 | <u>1,267,649</u> | <u>13,064</u> | <u>286,315</u> | <u>269,294</u> | <u>1,836,322</u> |
| Net book value | | | | | |
| At 31 August 2016 | <u>13,146,092</u> | <u>1,186</u> | <u>104,115</u> | <u>89,858</u> | <u>13,341,251</u> |
| At 31 August 2015 | <u>12,801,220</u> | <u>4,749</u> | <u>182,201</u> | <u>146,576</u> | <u>13,134,746</u> |

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 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 the 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

13. DEBTORS

| | 2016 £ | 2015 £ |
|--------------------------------|----------------|----------------|
| Due within one year | | |
| Trade debtors | 5,051 | - |
| VAT repayable | 96,911 | 31,123 |
| Prepayments and accrued income | 278,101 | 106,397 |
| | <u>380,063</u> | <u>137,520</u> |

14. CREDITORS: Amounts falling due within one year

| | 2016 £ | 2015 £ |
|------------------------------------|----------------|----------------|
| Trade creditors | 336,494 | - |
| Other taxation and social security | 105,499 | 83,529 |
| Other creditors | 96,937 | 95,857 |
| Accruals and deferred income | 269,737 | 226,020 |
| | <u>808,667</u> | <u>405,406</u> |

| | 2016 £ | 2015 £ |
|--------------------------------------|---------------|---------------|
| Deferred income | | |
| Deferred income at 1 September 2015 | 51,580 | 72,933 |
| Resources deferred during the year | 71,754 | 51,580 |
| Amounts released from previous years | (51,580) | (72,933) |
| | <u>71,754</u> | <u>51,580</u> |

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

15. CREDITORS:
Amounts falling due after more than one year

| | 2016 £ | 2015 £ |
|-----------------|--------------|--------------|
| Other creditors | 5,566 | 9,394 |
| | <u>5,566</u> | <u>9,394</u> |

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NOTES TO THE FINANCIAL STATEMENTS
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16. STATEMENT OF FUNDS

| | Brought Forward £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Carried Forward £ |
|--|----------------------|------------------|--------------------|--------------------------|-------------------------|----------------------|
| Unrestricted funds | | | | | | |
| Unrestricted funds | 40,718 | 118,762 | (153,780) | - | - | 5,700 |
| Restricted funds | | | | | | |
| General Annual Grant (GAG) | 396,396 | 5,479,150 | (5,709,392) | - | - | 166,154 |
| Pupil premium | - | 80,000 | (80,000) | - | - | - |
| Catch up premium | - | 12,000 | (12,000) | - | - | - |
| Local authority GUTP/teacher recharges | (24,027) | 25,340 | (17,053) | - | - | (15,740) |
| Parental contributions | - | 12,634 | (12,634) | - | - | - |
| School funds | - | 13,653 | (13,653) | - | - | - |
| Miscellaneous | 32,823 | 289,548 | (296,184) | - | - | 26,187 |
| Other EFA/DFE grants | 300 | - | (300) | - | - | - |
| Pension reserve | - | 85,189 | (226,709) | 141,520 | - | - |
| | (2,023,000) | - | (105,000) | - | (1,098,000) | (3,226,000) |
| | <u>(1,617,508)</u> | <u>5,997,514</u> | <u>(6,472,925)</u> | <u>141,520</u> | <u>(1,098,000)</u> | <u>(3,049,399)</u> |
| Restricted fixed asset funds | | | | | | |
| Fixed assets inherited on conversion | 12,692,236 | - | (494,718) | - | - | 12,197,518 |
| Capital expenditure from GAG | 71,221 | - | (11,737) | (8,810) | - | 50,674 |
| Capital expenditure from other funds | 681,446 | 571,285 | (19,588) | (106,493) | - | 1,126,650 |
| Devolved formula capital | 15,143 | 25,318 | - | (26,217) | - | 14,244 |
| | <u>13,460,046</u> | <u>596,603</u> | <u>(526,043)</u> | <u>(141,520)</u> | <u>-</u> | <u>13,389,086</u> |
| Total restricted funds | <u>11,842,538</u> | <u>6,594,117</u> | <u>(6,998,968)</u> | <u>-</u> | <u>(1,098,000)</u> | <u>10,339,687</u> |
| Total of funds | <u>11,883,256</u> | <u>6,712,879</u> | <u>(7,152,748)</u> | <u>-</u> | <u>(1,098,000)</u> | <u>10,345,387</u> |

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 Academy's objects and its funding agreement with the Department for Education.

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16. STATEMENT OF FUNDS (continued)

Restricted fixed assets funds amounting to £ 13,341,251 will be reserved against future depreciation charges, and the remainder £ 47,835 relates to unspent capital grants which will be utilised to enhance the Academy's facilities.

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 2016.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted funds 2016 £ | Restricted funds 2016 £ | Restricted fixed asset funds 2016 £ | Total funds 2016 £ | Total funds 2015 £ |
|-------------------------------------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| Tangible fixed assets | - | - | 13,341,251 | 13,341,251 | 13,134,746 |
| Current assets | 5,700 | 990,834 | 47,835 | 1,044,369 | 1,186,310 |
| Creditors due within one year | - | (808,667) | - | (808,667) | (405,406) |
| Creditors due in more than one year | - | (5,566) | - | (5,566) | (9,394) |
| Pension scheme liability | - | (3,226,000) | - | (3,226,000) | (2,023,000) |
| | <u>5,700</u> | <u>(3,049,399)</u> | <u>13,389,086</u> | <u>10,345,387</u> | <u>11,883,256</u> |

18. CAPITAL COMMITMENTS

At 31 August 2016 the academy trust had capital commitments as follows:

| | 2016 £ | 2015 £ |
|---|---------------|----------------|
| Contracted for but not provided in these financial statements | <u>45,120</u> | <u>279,494</u> |

19. PENSION COMMITMENTS

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

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19. PENSION COMMITMENTS (continued)

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

Valuation of the Teachers' Pension Scheme

Not less than every four years 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 (currently 14.1%)
- 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%.

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

The employer's pension costs paid to TPS in the period amounted to £439,814 (2015 - £385,619).

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

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

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19. PENSION COMMITMENTS (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £285,000 (2015 - £297,000), of which employer's contributions totalled £227,000 (2015 - £235,000) and employees' contributions totalled £58,000 (2015 - £62,000). 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.

Principal actuarial assumptions:

| | 2016 | 2015 |
|---|--------|--------|
| Discount rate for scheme liabilities | 2.00 % | 3.70 % |
| Expected return on scheme assets at 31 August | 2.00 % | 3.70 % |
| Rate of increase in salaries | 4.10 % | 4.50 % |
| Rate of increase for pensions in payment | 2.10 % | 2.60 % |

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

| | 2016 | 2015 |
|----------------------|------|------|
| Retiring today | | |
| Males | 22.3 | 22.3 |
| Females | 24.3 | 24.3 |
| Retiring in 20 years | | |
| Males | 24.0 | 24.0 |
| Females | 26.6 | 26.6 |

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

| | Fair value at 31 August 2016 £ | Fair value at 31 August 2015 £ |
|------------------------------|---|---|
| Equities | 1,623,000 | 1,167,000 |
| Bonds | 435,000 | 317,000 |
| Property | 183,000 | 150,000 |
| Cash | 46,000 | 33,000 |
| Total market value of assets | <u>2,287,000</u> | <u>1,667,000</u> |

The actual return on scheme assets was £462,000 (2015 - £49,000).

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19. PENSION COMMITMENTS (continued)

The amounts recognised in the statement of financial activities incorporating income and expenditure account are as follows:

| | 2016 £ | 2015 £ |
|----------------------|------------------|------------------|
| Net interest cost | (76,000) | (70,000) |
| Current service cost | (256,000) | (278,000) |
| Total | <u>(332,000)</u> | <u>(348,000)</u> |

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

| | 2016 £ | 2015 £ |
|------------------------------------|------------------|------------------|
| Opening defined benefit obligation | 3,690,000 | 3,233,000 |
| Interest cost | 142,000 | 125,000 |
| Contributions by employees | 58,000 | 62,000 |
| Actuarial losses | 1,394,000 | 38,000 |
| Current service costs | 256,000 | 278,000 |
| Contributions by employees | - | - |
| Benefits paid | (27,000) | (46,000) |
| Closing defined benefit obligation | <u>5,513,000</u> | <u>3,690,000</u> |

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

| | 2016 £ | 2015 £ |
|---|------------------|------------------|
| Opening fair value of scheme assets | 1,667,000 | 1,366,000 |
| Return on plan assets (excluding net interest on the net defined pension liability) | 66,000 | 55,000 |
| Actuarial gains and (losses) | 296,000 | (5,000) |
| Contributions by employer | 227,000 | 235,000 |
| Contributions by employees | 58,000 | 62,000 |
| Benefits paid | (27,000) | (46,000) |
| Closing fair value of scheme assets | <u>2,287,000</u> | <u>1,667,000</u> |

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20. OPERATING LEASE COMMITMENTS

At 31 August 2016 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

| | 2016 £ | 2015 £ |
|-------------------------|---------------|---------------|
| Amounts payable: | | |
| Within 1 year | 31,370 | 37,846 |
| Between 1 and 5 years | 27,197 | 58,567 |
| Total | <u>58,567</u> | <u>96,413</u> |

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

| | 2016 £ | 2015 £ |
|---|----------------|----------------|
| Net expenditure for the year (as per statement of financial activities) | (439,869) | (43,818) |
| Adjustment for: | | |
| Depreciation charges | 526,043 | 507,015 |
| Dividends, interest and rents from investments | (1,019) | (766) |
| (Increase)/decrease in debtors | (242,543) | 239,615 |
| Increase/(decrease) in creditors | 404,144 | (147) |
| Defined benefit pension scheme cost less contributions payable | 29,000 | 43,000 |
| Defined benefit pension scheme finance cost | 76,000 | 70,000 |
| Net cash provided by operating activities | <u>351,756</u> | <u>814,899</u> |

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

| | 2016 £ | 2015 £ |
|--------------|----------------|------------------|
| Cash in hand | 664,306 | 1,048,790 |
| Total | <u>664,306</u> | <u>1,048,790</u> |

23. MEMBERS' LIABILITY

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

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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 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.

The Academy Trust is a member of the Brackley Area Learning Partnership (BALP) whose membership includes 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. There are currently nine member schools.

The trust received income from BALP of £4,100 (2015 - £5,142) in respect of recharges for finance support, hospitality costs and training fees.

The trust made payments to BALP of £12,314 (2015 - £10,203) in respect of recharges for internet costs, subscription fees and clerking fees.

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25. FIRST TIME ADOPTION OF FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Reconciliations and descriptions of the effect of the transition to FRS 102 and SORP 2015 on total funds and net income/(expenditure) for the comparative period reported under previous UK GAAP and SORP 2005 are given below.

| RECONCILIATION OF TOTAL FUNDS | 1 September 2014 | 31 August 2015 |
|--------------------------------------|-------------------------|-----------------------|
| | £ | £ |
| Total funds under previous UK GAAP | 11,970,074 | 11,883,256 |
| Total funds reported under FRS 102 | <u>11,970,074</u> | <u>11,883,256</u> |

| Reconciliation of net (expenditure) | Notes | 31 August 2015 |
|---|--------------|-----------------------|
| | | £ |
| Net (expenditure) previously reported under UK GAAP | | (16,818) |
| Change in recognition of LGPS interest cost | A | (27,000) |
| Net movement in funds reported under FRS 102 | | <u>(43,818)</u> |

Explanation of changes to previously reported funds and net income/expenditure:

| | |
|---|--|
| A | Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in income/expense. Under FRS102 a net interest expense, based on the net defined benefit liability, is recognised in income/expense. There has been no change in the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to reduce the credit/debit to income/expense by £27,000 and increase the credit/debit in other recognised gains and losses in the SoFA by an equivalent amount. |
|---|--|