



Company Registration No. 08316633 (England and Wales)

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

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017



CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 12
Governance statement	13 - 17
Statement on regularity, propriety and compliance	18
Statement of trustees' responsibilities	19
Independent auditor's report on the accounts	20 - 22
Independent reporting accountant's report on regularity	23 - 24
Statement of financial activities including income and expenditure account	25 - 26
Balance sheet	27
Statement of cash flows	28
Notes to the financial statements including accounting policies	29 - 47



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Mr I Colling (Headteacher and Accounting Officer)
Mr H Cooper
Miss C Mera
Mrs S King
Mrs J Wright
Mr D Garratt
Mr C Harte
Dr M Pobjoy
Dr N Dixon
Dr J Powell
Mr T Redman
Mrs N Nichol (Resigned 13 September 2016)
Mr M Roberts
Mr A Anderson
Mr N Arnold (Appointed 3 July 2017)
Mr J Bilson
Mr C Clapham
Mr S Dawe (Chair of Trustees)
Mrs A Gomes Dos Santos (Appointed 3 July 2017)
Mr N Russell (Appointed 3 July 2017)
Prof R Dunbar (Resigned 31 August 2017)
Dr R Fairman (Resigned 31 August 2017)

Members

Mr A Anderson, Chairman
Mr C Clapham
Mr S Dawe
Mr R Sawbridge MBE
Mr H Cooper

Senior management team

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

Company secretary

Mrs W Willie

Company registration number

08316633 (England and Wales)

Registered office

Waynflete Avenue
Brackley
Northamptonshire
NN13 6FB



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor

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

Bankers

Lloyds Bank
PO Box 1000
Andover
BX 1 1LT

Solicitors

Browne Jacobson
Victoria Square House
Victoria Square
Birmingham
B2 4BU



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2017

The trustees present their annual report together with the accounts and independent auditor's report of the charitable company for the period 1 September 2016 to 31 August 2017. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 11 to 19 serving a catchment area in Brackley Northamptonshire. It has a pupil capacity of 1,469 and had a roll of 1,239 in the school census on 6 October 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 company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

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

Trustees benefit from indemnity insurance to cover the liability of the trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the academy trust. The cost of this is included within insurance costs.

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.

Policies and procedures adopted for the induction and training of trustees

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



**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2017**

Organisational structure

The trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the academy's use of budget allocation and approving decisions regarding the strategic direction of the academy, capital expenditure and senior staff appointments. The headteacher is the accounting officer.

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

The middle leadership includes leaders of learning, heads of faculty, inclusion manager and support 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. For the year ended 31 August 2017, the aggregate remuneration and benefits of key management personnel for services to the Academy Trust were £394,323 (2016: £387,825).

Related parties and other connected charities and organisations

The academy is a member of the Brackley Area Learning Partnership (BALP) whose membership includes local primary and junior schools along with Magdalen College School to provide shared leadership and training opportunities. Each school appoints one representative to the board of the partnership. There are currently nine member schools.

The academy 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, 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 President and Scholars of the College of St Mary Magdalen in the University of Oxford for the use of the premises by the academy trust.

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



**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2017**

Objectives and activities

Objects and aims

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

The main objectives of the academy during the year ended 31 August 2017 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's main strategy is encompassed in its mission statement which is 'To Make a Difference'. To this end the activities provided include:

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

Public benefit

The trustees have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

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



TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2017

Strategic report

Achievements and performance

The aims and objectives for the period to August 2017 are centred around academic excellence and personal development. Our mission statement states that we strive to make a difference to the lives of the pupils in the school, improve their life-chances and present them with opportunities to develop as individuals.

We are very pleased to report, therefore, that a record percentage of our pupils have achieved grade 4 (equivalent to an old grade C) and above in English and maths (78%). Our progress 8 measure is broadly in line with expectations. A-level outcomes have improved this year with a positive value-added, showing a significant increase on 2016. All of these results are set in the context of a changing national assessment system and so we are especially pleased that pupils have achieved well in spite of so much uncertainty in the examinations system this summer.

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

Significant work has been done to improve the outcomes for disadvantaged pupils and there are some of these pupils' whose achievements are particularly pleasing, although this remains an area for the academy to improve in further. Focused reviews of the progress of these pupils were carried out fortnightly with intervention provided in a number of targeted subjects, as a result. Attendance of these pupils remains an area to improve further although the behaviour of these pupils have improved, showing in a reduction in the need to issue sanctions.

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

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

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

Examination outcomes in 2017 were (2016 figures in brackets):

% pupils gaining grade 4 or above in English and maths: 78% (75%) (national approx. 58%)

A-level pass rate: 97% (98%)

A*-B: 38% (32%)

ALPS score: 6 (7)

L3VA score: 0.04 (-0.32) (provisional)

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

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



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

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 2017 staffing costs amounted to 80% of the total income received including direct government grants received which is broadly in line with EFA guidance.
- 0.86% 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.
- 8.4% 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.
- 2.61% of overall income spent on ICT infrastructure and capital investment.
- 95% of capital grant received spent on capital improvements and ICT investment. The remainder forms part of restricted grants carried forward into the following year.

Non-financial key performance indicators used by the academy to monitor its performance include:

- Progress 8 measure for GCSE – broadly in line with expectations
- Level 3 value added for A-level – significantly improved and now in line with expectations
- Student attendance rates – 95.1%
- OfSTED grading remained good (February 2016) – supporting the academy's own self-evaluation

Risks to outstanding student achievement:

- Progress of disadvantaged pupils
- Progress of special educational needs pupils
- Variation in outcomes between subjects across the curriculum at GCSE and A-level

New initiatives

- Improved data system (Go4Schools) to make data more accessible to class-teachers
- Raised expectations of behaviour of pupils
- High quality professional learning opportunities to support improved teaching
- More highly-focused leadership strategies to hold staff more rigorously to account and ensure that clear evidence is used to support decision-making and evaluation of the quality of provision
- Continued roll-out of diploma and scholarship programmes to support personal development and progression to top universities
- Development of the relationships with local businesses to support delivery of the curriculum
- Widening of partnerships with other schools to bring a wider perspective to development of most effective practices

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the board of trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

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 and Skills Funding Agency (ESFA), the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2017 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the year ended 31 August 2017, total expenditure of £6,556,883 was funded by recurrent grant funding from the DfE together with other incoming resources. The excess of expenditure over income for the year was £26,232.

For the accounting period 2016 – 2017 a Condition Improvement Capital Grant Fund (CIF) was secured for capital improvements. Funding of £626,780 was allocated to address major condition issues relating to heating improvements and a replacement fire alarm system. 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 accounting period 2016 - 2017 due to the grant being considered guaranteed.

At 31 August 2017 the net book value of fixed assets was £13,505,690 and movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of the academy. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

The current pension liability is reported at £2.134m. 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 week's 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 and Skills Funding Agency (ESFA), at the beginning of the academic year 2016 - 2017 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 2017 the value of uncommitted reserves was £200,917. This was due to continued control over expenditure during the previous years and the balance of the unspent CIF grant for capital works. The uncommitted reserves were planned in order to support predicted funding constraints going forward due to a falling student roll for the immediate future and uncertainties over the level of recurrent government grants. The number of students is now increasing.

At 31 August 2017 the total funds comprised:

Unrestricted	£15,714
Restrctied: Fixed Asset fund	£13,618,491
GAG	£165,439
Pension reserve deficit	£(2,134,000)
Other	£19,764
	<u>£11,685,408</u>

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.



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

Investment policy and powers

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 98% of its income from government agencies.
 - Urgent condition improvement work delayed due to insufficient funding.
 - Mandatory increases in pension costs and national pay agreements.
 - Change in government policy which has unfunded cost implications i.e. apprenticeship levy.



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

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.
- Student numbers are now increasing. Academic achievement is consistently above the national average. OFSTED graded the academy Good - February 2016.
- Support students to make appropriate subject choices at GCSE and A level to reflect their strengths and interests so as to give students the best possible chance of success.
- Maintain close links with feeder schools to build on effective transition arrangements and develop familiarity for prospective students to encourage their choice of Magdalen College School as their preferred secondary school.
- Attendance at government funding agency conferences and participation in focus groups to keep up to date with and influence as far as possible academy funding methodology.
- Active promotion of success and activities taking place during the year to capitalise on marketing opportunities to promote the work of the school.
- Appropriate organisational staffing structure.
- On-going commitment to improving the facilities and resources of the academy to meet the needs of the curriculum and to provide a safe and stimulating environment for students funded through DfE revenue and capital grant funding streams.
- Internal and external quality assurance reviews and self-assessments
- Robust financial management with transparent controls and procedures.

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

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



**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2017**

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 prepare students to have the ability to make a positive contribution to the community.
- 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.
- 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 holds no funds as custodian trustee on behalf of others.



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

Auditor

In so far as the trustees are aware:

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

A resolution proposing that Ellacotts LLP be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 6.12.17 and signed on its behalf by:

.....
Mr S Dawe
Chair of Trustees



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2017

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 principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between 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 7 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
Mr I Colling (Headteacher and Accounting Officer)	7	7
Mr H Cooper	4	7
Miss C Mera	4	7
Mrs S King	6	7
Mrs J Wright	7	7
Mr D Garratt	6	7
Mr C Harte	4	7
Dr M Pobjoy	4	7
Dr N Dixon	5	7
Dr J Powell	6	7
Mr T Redman	6	7
Mrs N Nichol (Resigned 13 September 2016)	0	0
Mr M Roberts	7	7
Mr A Anderson	7	7
Mr N Arnold (Appointed 3 July 2017)	0	1
Mr J Bilson	7	7
Mr C Clapham	6	7
Mr S Dawe (Chair of Trustees)	6	7
Mrs A Gomes Dos Santos (Appointed 3 July 2017)	0	1
Mr N Russell (Appointed 3 July 2017)	1	1
Prof R Dunbar (Resigned 31 August 2017)	2	7
Dr R Fairman (Resigned 31 August 2017)	4	7



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

The Board of Trustees has remained fairly stable during the year to 31 August 2017. 1 governor left at the start of the year followed by two resignations after the year end. 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 competences 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

The Finance and Resource Committee is a sub-committee of the main board of trustees. Its involvement during the year included:

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

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
Mr I Colling (Headteacher and Accounting Officer)	3	4
Mr H Cooper	3	4
Mrs S King	3	4
Mrs J Wright	3	4
Mr D Garratt	4	4
Mr A Anderson	3	4
Mr J Bilson	4	4
Mr C Clapham	3	4
Mr S Dawe (Chair of Trustees)	2	4



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

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

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

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
Mr I Colling (Headteacher and Accounting Officer)	4	4
Mrs J Wright	4	4
Mr D Garratt	4	4
Mr A Anderson	4	4
Mr J Bilson	4	4
Mr S Dawe (Chair of Trustees)	3	4

Review of value for money

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

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

Improving educational outcomes

Improving educational results for our students remains our key priority. The achievements at GCSE and A level continue to be above the national average. The academy focuses on each student and has taken the following steps to support the school improvement for all 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 organisation to challenge our assumption and out strategic vision to ensure robustness and relevance
- Successfully securing resources from both the ESFA and other grant providers to extend learning opportunities and improve facilities
- Regularly reviewing financial commitments to control costs

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



**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2017**

Targeted improvement

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

New initiatives

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

Focus on individual pupils

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

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

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

The purpose of the system of internal control

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

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

The system of internal control has been in place in Magdalen College School Brackley Academy Trust for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

The risk and control framework

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

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

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

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

The auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. After each visit, the auditor reports to the trustees, through the Finance and Resources Committee, on the operation of the systems of control and on the discharge of the board of governors' financial responsibilities. In particular the checks carried out in the current period included:

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

On a regular basis the auditor reports to the board of trustees, through the Finance and Resource Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. Three visits took place during the year in question.

Review of effectiveness

As accounting officer the principal 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 Resource Committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 6/12/17..... and signed on its behalf by:

Mr I Colling
Headteacher and Accounting Officer

Mr S Dawe
Chair of Trustees



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2017

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 and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA 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 2016.

I confirm that I and the academy trust's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2016.

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

Ian Colling

Mr I Colling
Accounting Officer

..6.12.17....



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2017

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

Company law requires the trustees to prepare accounts for each financial year. Under company law the trustees must not approve the accounts 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 accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

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

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

Approved by order of the board of trustees on 31.12.17 and signed on its behalf by:

Mr S Dawe
Chair of Trustees



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

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

Opinion

We have audited the accounts of Magdalen College School Brackley Academy Trust for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills 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. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report, including the incorporated strategic report.

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

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

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

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

Ellacotts UP

Charlotte Houghton Bsc ACA
(Senior Statutory Auditor)
for and on behalf of Ellacotts LLP
Chartered Accountants
Statutory Auditor
Countrywide House
23 West Bar
Banbury
Oxfordshire
England
OX16 9SA

Date: 7/12/17.....



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

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

In accordance with the terms of our engagement letter dated 31 May 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Magdalen College School Brackley Academy Trust during the period 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of Magdalen College School Brackley Academy Trust's funding agreement with the Secretary of State for Education dated 27 July 2012 and the Academies Financial Handbook, extant from 1 September 2016, 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 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2016 to 31 August 2017 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 2016 to 2017 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

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

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Ellacotts UP

Reporting Accountant

Ellacotts LLP

Chartered Accountants & Business Advisers

Countrywide House

23 West Bar

Banbury

Oxfordshire

OX16 9SA

England

Dated: *7/12/17*.....



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2017

		Unrestricted Funds	Restricted funds:		Total 2017	Total 2016 Restated
	Notes	£	General	Fixed asset	£	£
Income and endowments from:						
Donations and capital grants	3	689	16,473	651,276	668,438	638,717
Charitable activities:						
- Funding for educational operations	4	-	5,750,348	-	5,750,348	5,983,861
Other trading activities	5	111,434	-	-	111,434	89,282
Investments	6	431	-	-	431	1,019
Total income and endowments		<u>112,554</u>	<u>5,766,821</u>	<u>651,276</u>	<u>6,530,651</u>	<u>6,712,879</u>
Expenditure on:						
Raising funds	7	102,540	16,473	-	119,013	165,948
Charitable activities:						
- Educational operations	8	-	5,902,106	535,764	6,437,870	6,963,549
Total expenditure	7	<u>102,540</u>	<u>5,918,579</u>	<u>535,764</u>	<u>6,556,883</u>	<u>7,129,497</u>
Net income/(expenditure)		10,014	(151,758)	115,512	(26,232)	(416,618)
Transfers between funds		-	(28,640)	28,640	-	-
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension schemes	19	-	1,281,000	-	1,281,000	(1,098,000)
Net movement in funds		<u>10,014</u>	<u>1,100,602</u>	<u>144,152</u>	<u>1,254,768</u>	<u>(1,514,618)</u>
Reconciliation of funds						
Total funds brought forward		5,700	(3,049,399)	13,474,339	10,430,640	11,945,258
Total funds carried forward		<u>15,714</u>	<u>(1,948,797)</u>	<u>13,618,491</u>	<u>11,685,408</u>	<u>10,430,640</u>



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2017

Comparative year information		Unrestricted	Restricted funds:		Total
Year ended 31 August 2016 Restated		Funds	General	Fixed asset	2016
	Notes	£	£	£	£
Income and endowments from:					
Donations and capital grants	3	28,461	13,653	596,603	638,717
Charitable activities:					
- Funding for educational operations	4	-	5,983,861	-	5,983,861
Other trading activities	5	89,282	-	-	89,282
Investments	6	1,019	-	-	1,019
Total income and endowments		118,762	5,997,514	596,603	6,712,879
Expenditure on:					
Raising funds	7	152,295	13,653	-	165,948
Charitable activities:					
- Educational operations	8	1,485	6,459,272	502,792	6,963,549
Total expenditure	7	153,780	6,472,925	502,792	7,129,497
Net income/(expenditure)		(35,018)	(475,411)	93,811	(416,618)
Transfers between funds		-	141,520	(141,520)	-
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	19	-	(1,098,000)	-	(1,098,000)
Net movement in funds		(35,018)	(1,431,891)	(47,709)	(1,514,618)
Reconciliation of funds					
Total funds brought forward		40,718	(1,617,508)	13,522,048	11,945,258
Total funds carried forward		5,700	(3,049,399)	13,474,339	10,430,640



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

BALANCE SHEET AS AT 31 AUGUST 2017

	Notes	2017		2016 Restated	
		£	£	£	£
Fixed assets					
Tangible assets	12		13,505,690		13,426,504
Current assets					
Debtors	13	460,306		380,063	
Cash at bank and in hand		411,379		664,306	
		<u>871,685</u>		<u>1,044,369</u>	
Current liabilities					
Creditors: amounts falling due within one year	14	(557,098)		(808,667)	
Net current assets			<u>314,587</u>		<u>235,702</u>
Total assets less current liabilities			<u>13,820,277</u>		<u>13,662,206</u>
Creditors: amounts falling due after more than one year	15		(869)		(5,566)
Net assets excluding pension liability			<u>13,819,408</u>		<u>13,656,640</u>
Defined benefit pension liability	19		(2,134,000)		(3,226,000)
Net assets			<u>11,685,408</u>		<u>10,430,640</u>
Funds of the academy trust:					
Restricted funds	17				
- Fixed asset funds			13,618,491		13,474,339
- Restricted income funds			185,203		176,601
- Pension reserve			(2,134,000)		(3,226,000)
Total restricted funds			<u>11,669,694</u>		<u>10,424,940</u>
Unrestricted income funds	17		15,714		5,700
Total funds			<u>11,685,408</u>		<u>10,430,640</u>

The accounts as set out on pages 25 to 47 were approved by the board of trustees and authorised for issue on 5.12.17 and are signed on its behalf by:

Mr S Dawe
Chair of Trustees

Company Number 08316633



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2017

		2017		2016 Restated	
	Notes	£	£	£	£
Cash flows from operating activities					
Net cash provided by operating activities	21		366,288		300,176
Cash flows from investing activities					
Dividends, interest and rents from investments		431		1,019	
Payments to acquire tangible fixed assets		(614,950)		(732,548)	
			(614,519)		(731,529)
Cash flows from financing activities					
Repayment of borrowings		(4,696)		(4,711)	
			(4,696)		(4,711)
Change in cash and cash equivalents in the reporting period			(252,927)		(384,484)
Cash and cash equivalents at 1 September 2016			664,306		1,048,790
Cash and cash equivalents at 31 August 2017			<u>411,379</u>		<u>664,306</u>



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

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

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

1.1 Basis of preparation

The accounts 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 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

1.2 Going concern

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts 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 accounts.

1.3 Income

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

Grants receivable

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

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

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

Sponsorship income

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



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

Donations

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

Other income

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

Donated goods, facilities and services

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

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

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Governance costs

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management, trustees' meetings and reimbursed expenses.



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

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

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

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

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

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

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

1.6 Liabilities

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

1.7 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 Leasing and hire purchase commitments

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



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2017**

1 Accounting policies

(Continued)

1.9 Financial instruments

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

Financial assets

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

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

Financial liabilities

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

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

1.10 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 chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.11 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 are 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 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.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2017**

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/donor and include grants from the Department for Education.

1.13 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 2016 to 2017 paragraph 8.7.5 in relation to properties occupied under licence. Having considered the arrangements under which the academy trust is occupying the land and buildings, for the reasons given in note 12, the directors have concluded that the arrangement should not be included as an asset on the balance sheet and the directors have not included any value of land or buildings in the financial statements.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

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



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Capital grants	-	651,276	651,276	596,603
Other donations	689	16,473	17,162	42,114
	<u>689</u>	<u>667,749</u>	<u>668,438</u>	<u>638,717</u>

In 2016, of the total income from donations and capital grants, £28,461 was to unrestricted funds, £13,653 was to restricted funds and £596,603 was to restricted fixed assets funds.

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
DfE / ESFA grants				
General annual grant (GAG)	-	5,421,490	5,421,490	5,479,149
Other DfE / ESFA grants	-	149,318	149,318	177,191
	<u>-</u>	<u>5,570,808</u>	<u>5,570,808</u>	<u>5,656,340</u>
Other government grants				
Local authority grants	-	37,031	37,031	25,340
	<u>-</u>	<u>37,031</u>	<u>37,031</u>	<u>25,340</u>
Other funds				
School funds	-	118,251	118,251	289,728
Other incoming resources	-	24,258	24,258	12,453
	<u>-</u>	<u>142,509</u>	<u>142,509</u>	<u>302,181</u>
Total funding	<u>-</u>	<u>5,750,348</u>	<u>5,750,348</u>	<u>5,983,861</u>

In 2016, of the total income from charitable activities, £Nil was to unrestricted funds and £5,983,861 was to restricted funds.



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Lettings income	39,021	-	39,021	39,022
Other income	72,413	-	72,413	50,260
	<u>111,434</u>	<u>-</u>	<u>111,434</u>	<u>89,282</u>

In 2016, of the total income from other trading activities, £89,282 was to unrestricted funds and £Nil was to restricted funds.

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Other investment income	431	-	431	1,019
	<u>431</u>	<u>-</u>	<u>431</u>	<u>1,019</u>

In 2016, of the total investment income, £1,019 was to unrestricted funds and £Nil was to restricted funds.

7 Expenditure

	Staff costs £	Premises & equipment £	Other costs £	Total 2017 £	Total 2016 Restated £
Expenditure on raising funds	43,237	-	75,776	119,013	165,948
Academy's educational operations					
- Direct costs	4,120,824	-	387,248	4,508,072	4,820,455
- Allocated support costs	477,217	1,016,872	435,709	1,929,798	2,143,004
	<u>4,641,278</u>	<u>1,016,872</u>	<u>898,733</u>	<u>6,556,883</u>	<u>7,129,407</u>

In 2017, of the total expenditure, £102,540 (2016: £153,780) was to unrestricted funds, £6,454,343 (2016: £6,975,627) was to restricted funds.

Net income/(expenditure) for the year includes:

	2017 £	2016 Restated £
Fees payable to auditor for:		
- Audit	7,000	8,000
- Other services	3,750	4,050
Operating lease rentals	7,615	7,615
Depreciation of tangible fixed assets	535,764	502,792
	<u>553,129</u>	<u>522,457</u>



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

8 Charitable activities

	2017	2016
	£	Restated £
All from restricted funds:		
Direct costs - educational operations	4,508,072	4,820,545
Support costs - educational operations	1,929,798	2,143,004
	<u>6,437,870</u>	<u>6,963,549</u>

	2017	2016
	£	Restated £
Analysis of support costs		
Support staff costs	477,217	521,933
Depreciation and amortisation	535,764	502,792
Technology costs	104,090	98,150
Premises costs	435,524	668,320
Other support costs	362,103	336,479
Governance costs	15,100	15,330
	<u>1,929,798</u>	<u>2,143,004</u>

9 Staff costs

	2017	2016
	£	£
Wages and salaries	3,477,065	3,733,684
Social security costs	337,092	309,746
Operating costs of defined benefit pension schemes	755,706	689,262
	<u>4,569,863</u>	<u>4,732,692</u>
Staff costs	4,569,863	4,732,692
Supply staff costs	142,169	87,751
Staff development and other staff costs	52,246	72,065
	<u>4,764,278</u>	<u>4,892,508</u>

Staff numbers

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

	2017	2016
	Number	Number
Teachers	66	71
Administration and support	88	97
Management	5	5
	<u>159</u>	<u>173</u>



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

9 Staff costs

(Continued)

Higher paid staff

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

	2017 Number	2016 Number
In the band £60,001 - £70,000	1	1
In the band £90,001 - £100,000	1	1
	<u>1</u>	<u>1</u>

The above employees participated in the Teachers' Pension Scheme. During the period ended 31 August 2017, pension contributions for these staff amounted to £26,868 (2016: 26,331).

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £394,323 (2016: £387,825).

10 Trustees' remuneration and expenses

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

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

I Colling (Headteacher and Accounting Officer):

- Remuneration £90,000 - £95,000 (2016: £90,000-£95,000)
- Employer's pension contributions £15,000 - £20,000 (2016: £15,000-£20,000)

S King (Staff Trustee):

- Remuneration £15,000 - £20,000 (2016: £15,000-£20,000)
- Employer's pension contributions £0,000 - £5,000 (2016: £0-£5,000)

N Dixon (Staff Trustee):

- Remuneration £45,000 - £50,000 (2016: £45,000-£50,000)
- Employer's pension contributions £5,000 - £10,000 (2016: £5,000-£10,000)

I Tweed (Staff Trustee):

- Remuneration £Nil (2016: £20,000-£25,000)
- Employer's pension contributions £Nil (2016: £0-£5,000)

M Roberts (Staff Trustee):

- Remuneration £10,000 - £15,000 (2016: £10,000-£15,000)
- Employer's pension contributions £0,000 - £5,000 (2016: £0-£5,000)

During the year, travel and subsistence payments totalling £Nil (2016: £804) were reimbursed or paid directly to Nil trustees (2016: 3 trustees).

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



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

11 Trustees and officers insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2017. The cost of this insurance is included in the total insurance cost.

12 Tangible fixed assets - Restated

	Leasehold property £	Computer equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 September 2016	14,413,741	359,152	390,430	14,250	15,177,573
Additions	568,313	46,637	-	-	614,950
At 31 August 2017	14,982,054	405,789	390,430	14,250	15,792,523
Depreciation					
At 1 September 2016	1,182,396	269,294	286,315	13,064	1,751,069
Charge for the year	358,411	98,079	78,088	1,186	535,764
At 31 August 2017	1,540,807	367,373	364,403	14,250	2,286,833
Net book value					
At 31 August 2017	13,441,247	38,416	26,027	-	13,505,690
At 31 August 2016	13,231,345	89,858	104,115	1,186	13,426,504

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

Licence to occupy

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

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

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



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

13 Debtors	2017	2016
	£	£
Trade debtors	204	5,051
VAT recoverable	96,768	96,911
Prepayments and accrued income	363,334	278,101
	<u>460,306</u>	<u>380,063</u>
14 Creditors: amounts falling due within one year	2017	2016
	£	£
Trade creditors	170,354	336,494
Other taxation and social security	81,568	105,499
Other creditors	91,986	96,937
Accruals and deferred income	213,190	269,737
	<u>557,098</u>	<u>808,667</u>
15 Creditors: amounts falling due after more than one year	2017	2016
	£	£
Other creditors	869	5,566
	<u>869</u>	<u>5,566</u>
16 Deferred income	2017	2016
	£	£
Deferred income is included within:		
Creditors due within one year	51,551	71,754
	<u>51,551</u>	<u>71,754</u>
Deferred income at 1 September 2016	71,754	51,580
Released from previous years	(71,754)	(51,580)
Amounts deferred in the year	51,551	71,754
	<u>51,551</u>	<u>71,754</u>
Deferred income at 31 August 2017	51,551	71,754

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



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

17 Funds

	Restated Balance at 1 September 2016 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds					
General Annual Grant	166,154	5,421,490	(5,371,259)	(50,946)	165,439
Other DfE / ESFA grants	-	37,504	(44,070)	6,566	-
Pupil Premium	-	99,000	(99,000)	-	-
Catch Up Premium	-	12,814	(12,814)	-	-
Local Authority	(15,740)	47,031	(47,031)	15,740	-
GUTP Teacher Recharge	-	14,258	(14,258)	-	-
Parental Contributions	-	16,473	(16,473)	-	-
School Funds	26,187	118,251	(124,674)	-	19,764
	<u>176,601</u>	<u>5,766,821</u>	<u>(5,729,579)</u>	<u>(28,640)</u>	<u>185,203</u>
Funds excluding pensions	176,601	5,766,821	(5,729,579)	(28,640)	185,203
Pension reserve	(3,226,000)	-	(189,000)	1,281,000	(2,134,000)
	<u>(3,049,399)</u>	<u>5,766,821</u>	<u>(5,918,579)</u>	<u>1,252,360</u>	<u>(1,948,797)</u>
Restricted fixed asset funds					
Transferred on conversion	12,282,771	-	(475,714)	-	11,807,057
Devolved formula capital	14,244	24,491	-	-	38,735
Capital expenditure from GAG	50,674	-	(15,928)	-	34,746
Capital expenditure other funds	1,126,650	626,785	(44,122)	28,640	1,737,953
	<u>13,474,339</u>	<u>651,276</u>	<u>(535,764)</u>	<u>28,640</u>	<u>13,618,491</u>
	<u><u>10,424,940</u></u>	<u><u>6,418,097</u></u>	<u><u>(6,454,343)</u></u>	<u><u>1,281,000</u></u>	<u><u>11,669,694</u></u>
Total restricted funds	<u><u>10,424,940</u></u>	<u><u>6,418,097</u></u>	<u><u>(6,454,343)</u></u>	<u><u>1,281,000</u></u>	<u><u>11,669,694</u></u>
Unrestricted funds					
General funds	5,700	112,554	(102,540)	-	15,714
	<u>5,700</u>	<u>112,554</u>	<u>(102,540)</u>	<u>-</u>	<u>15,714</u>
Total funds	<u><u>10,430,640</u></u>	<u><u>6,530,651</u></u>	<u><u>(6,556,883)</u></u>	<u><u>1,281,000</u></u>	<u><u>11,685,408</u></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 the academy's objects and its funding agreement with the Department for Education.

Restricted fixed assets funds amounting to £13,505,690 will be reserved against future depreciation charges, and the remainder £112,801 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 2017.



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

17 Funds

(Continued)

Movements in funds - previous year restated

	Balance at 1 September 2015 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2016 £
Restricted general funds					
General Annual Grant	396,396	5,479,150	(5,709,392)	-	166,154
Other DfE / ESFA grants	-	85,189	(226,709)	141,520	-
Pupil Premium	-	80,000	(80,000)	-	-
Catch Up Premium	-	12,000	(12,000)	-	-
Local Authority	(24,027)	25,340	(17,053)	-	(15,740)
GUTP Teacher Recharge	-	12,634	(12,634)	-	-
Parental Contributions	-	13,653	(13,653)	-	-
School Funds	32,823	289,548	(296,184)	-	26,187
Miscellaneous	300	-	(300)	-	-
	<u>405,492</u>	<u>5,997,514</u>	<u>(6,367,925)</u>	<u>141,520</u>	<u>176,601</u>
Funds excluding pensions					
Pension reserve	(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>(956,480)</u>	<u>(3,049,399)</u>
Restricted fixed asset funds					
Transferred on conversion	12,754,238	-	(471,467)	-	12,282,771
Devolved formula capital	15,143	25,318	-	(26,217)	14,244
Capital expenditure from GAG	71,221	-	(11,737)	(8,810)	50,674
Capital expenditure other funds	681,446	571,285	(19,588)	(106,493)	1,126,650
	<u>13,522,048</u>	<u>596,603</u>	<u>(502,792)</u>	<u>(141,520)</u>	<u>13,474,339</u>
Total restricted funds	<u>11,904,540</u>	<u>6,594,117</u>	<u>(6,975,717)</u>	<u>(1,098,000)</u>	<u>10,424,940</u>
Unrestricted funds					
General funds	40,718	118,762	(153,780)	-	5,700
Total funds	<u>11,945,258</u>	<u>6,712,879</u>	<u>(7,129,497)</u>	<u>(1,098,000)</u>	<u>10,430,640</u>



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

18 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2017 £
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	-	-	13,505,690	13,505,690
Current assets	15,714	743,170	112,801	871,685
Creditors falling due within one year	-	(557,098)	-	(557,098)
Creditors falling due after one year	-	(869)	-	(869)
Defined benefit pension liability	-	(2,134,000)	-	(2,134,000)
	15,714	(1,948,797)	13,618,491	11,685,408
	15,714	(1,948,797)	13,618,491	11,685,408

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2016 £
Fund balances at 31 August 2016 are represented by:				
Tangible fixed assets	-	-	13,426,504	13,426,504
Current assets	5,700	990,834	47,835	1,044,369
Creditors falling due within one year	-	(808,667)	-	(808,667)
Creditors falling due after one year	-	(5,566)	-	(5,566)
Defined benefit pension liability	-	(3,226,000)	-	(3,226,000)
	5,700	(3,049,399)	13,474,339	10,430,640
	5,700	(3,049,399)	13,474,339	10,430,640

19 Pensions and similar obligations

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

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

Contributions amounting to £76,457 were payable to the schemes at 31 August 2017 (2016: £81,408) and are included within creditors.

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.



NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2017

19 Pensions and similar obligations

(Continued)

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

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 is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to the TPS in the period amounted to £413,550 (2016: £439,814).

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

Under the definitions set out in FRS 102, the TPS is 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.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The estimated value of employer contributions for the forth coming year is £221,000. 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.



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

19 Pensions and similar obligations (Continued)

Total contributions made	2017	2016
	£	£
Employer's contributions	221,000	227,000
Employees' contributions	54,000	58,000
	<u> </u>	<u> </u>
Total contributions	275,000	285,000
	<u> </u>	<u> </u>
 Principal actuarial assumptions	 2017	 2016
	%	%
Rate of increases in salaries	2.7	4.10
Rate of increase for pensions in payment	2.4	2.10
Discount rate	2.5	2.00
Commutation of pensions to lump sums	50.0	50.0
	<u> </u>	<u> </u>

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

	2017	2016
	Years	Years
Retiring today		
- Males	22.1	22.3
- Females	24.2	24.3
Retiring in 20 years		
- Males	23.9	24
- Females	26.1	26.6
	<u> </u>	<u> </u>

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

Change in assumptions at 31 August 2017:	Approximate % increase to Employer Liability	Approximate monetary amount £'s
0.5% decrease in Real Discount Rate	12%	603,000
0.5% increase in the Salary Increase Rate	2%	93,000
0.5% increase in the Pension Increase Rate	10%	501,000



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

19 Pensions and similar obligations	(Continued)	
The academy trust's share of the assets in the scheme		
	2017	2016
	Fair value	Fair value
	£	£
Equities	2,148,220	1,623,000
Bonds	464,480	435,000
Cash	87,090	46,000
Property	203,210	183,000
	<u>2,903,000</u>	<u>2,287,000</u>
	<u>2,903,000</u>	<u>2,287,000</u>
Actual return on scheme assets - gain/(loss)	389,000	462,000
	<u>389,000</u>	<u>462,000</u>
	<u>389,000</u>	<u>462,000</u>
Amounts recognised in the statement of financial activities		
	2017	2016
	£	£
Current service cost	344,000	256,000
Interest income	(48,000)	(66,000)
Interest cost	114,000	142,000
	<u>410,000</u>	<u>332,000</u>
	<u>410,000</u>	<u>332,000</u>
	<u>410,000</u>	<u>332,000</u>
Changes in the present value of defined benefit obligations		
	2017	2016
	£	£
Obligations at 1 September 2016	5,513,000	3,690,000
Current service cost	344,000	256,000
Interest cost	114,000	142,000
Employee contributions	54,000	58,000
Actuarial (gain)/loss	(940,000)	1,394,000
Benefits paid	(48,000)	(27,000)
	<u>5,037,000</u>	<u>5,513,000</u>
	<u>5,037,000</u>	<u>5,513,000</u>
	<u>5,037,000</u>	<u>5,513,000</u>
At 31 August 2017	5,037,000	5,513,000
	<u>5,037,000</u>	<u>5,513,000</u>
	<u>5,037,000</u>	<u>5,513,000</u>



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

19 Pensions and similar obligations (Continued)

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

	2017 £	2016 £
Assets at 1 September 2016	2,287,000	1,667,000
Interest income	48,000	66,000
Actuarial gain	341,000	296,000
Employer contributions	221,000	227,000
Employee contributions	54,000	58,000
Benefits paid	(48,000)	(27,000)
At 31 August 2017	<u>2,903,000</u>	<u>2,287,000</u>

20 Prior year adjustment

In prior financial years, land held within tangible fixed assets at a cost of £2,906,350 has been incorrectly depreciated. The comparative information has therefore been restated resulting in an increase in the overall carrying value of tangible fixed assets of £85,253 a corresponding increase in the carry forward on the fixed assets fund and a reduction in the depreciation charge for the prior period of £23,251. Taking account of the restatement, the result for the prior period is a deficit of £416,618.

21 Reconciliation of net expenditure to net cash flows from operating activities

	2017 £	2016 Restated £
Net expenditure for the reporting period	(26,232)	(416,618)
Adjusted for:		
Investment income receivable	(431)	(1,019)
Defined benefit pension costs less contributions payable	123,000	29,000
Defined benefit pension net finance cost	66,000	76,000
Depreciation of tangible fixed assets	535,764	502,792
(Increase) in debtors	(80,243)	(242,543)
(Decrease)/increase in creditors	(251,570)	404,144
(Decrease) in provisions	-	(51,580)
Net cash provided by operating activities	<u>366,288</u>	<u>300,176</u>

22 Contingent liabilities

At 31 August 2017, the Academy Trust owed £34,263 to contractors in relation to a dispute over capital works. These amounts are not provided for in the financial statements on the basis that they are not expected to be payable.



MAGDALEN COLLEGE SCHOOL BRACKLEY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

23 Commitments under operating leases

At 31 August 2017 the total future minimum lease payments under non-cancellable operating leases were as follows:

	2017 £	2016 £
Amounts due within one year	11,955	7,615
Amounts due in two and five years	11,312	23,266
	<u>23,267</u>	<u>30,881</u>

24 Capital commitments

	2017 £	2016 £
Expenditure contracted for but not provided in the accounts	<u>212,800</u>	<u>45,120</u>

25 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 provide 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 £9,000 (2016: £4,100) in respect of recharges for finance support, hospitality costs and training fees.

The trust made payment to BALP of £12,095 (2016: £12,314) in respect of recharge for internet costs, subscription fees and clerking fees.

26 Members' liability

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