



Aylesbury High School
(A company limited by guarantee)

**ANNUAL REPORT AND CONSOLIDATED FINANCIAL
STATEMENTS**

for the year ended
31 August 2019

Company Registration No: 07633357

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Aylesbury High School

REFERENCE AND ADMINISTRATIVE DETAILS

Governors / Trustees

Mr A Chaudhry (Chair)
Mr G Scoble ((Headteacher, Accounting Officer
appointed 1/9/2019)
Mr A Rosen (Headteacher, Accounting Officer
Resigned 31/8/19)

Mrs H Bush
Mr J Chandler
Mr J Clarke
Mr J Cook (Staff Governor)
Mr J Davis
Mrs C Elliot
Mr N Esslemont
Mr M Francas
Mrs A Pexton (resigned 4/9/19)
Mr D Phillips (Resigned 20/8 19)
Mrs G Sharman
Mrs J Spencer (Resigned 8/10/18)
Rev O Stephen (Resigned 12/10/18)
Dr K Weir (legal name Johnston)
Mrs L Westcott (Staff Governor)
Mr A Woods (appointed 4/12/17)

Members

Mrs C Bull (resigned 9/9/2019)
Mr A Chaudhry
Mr J Chandler
Mr A Rosen
Dr K Weir

Company Secretary

Mr K Marshall

Senior Management Team:

Headteacher

Mr G Scoble (Appointed 1/9/19)
Mr A Rosen (Resigned 31/8/19)

Deputy Headteacher

Mrs J Hamnett

Assistant Headteacher

Miss A Brigden

Assistant Headteacher

Mrs H Queralt

Assistant Headteacher

Mrs C Wilkes

Support Staff Director

Mr K Marshall

Principal and Registered Office

Aylesbury High School
Walton Road, Aylesbury
Buckinghamshire, HP21 7SX

Company Registration Number

07633357 (England and Wales)

Independent Auditor

Landau Baker Ltd
Mountcliffe House, 154 Brent Street, London, NW4 2DR

Bankers

HSBC Bank Plc
2 Walton Road , Aylesbury, Buckinghamshire, HP21 7SS

Solicitors

Stone King LLP
New Hall Market Place, Melksham , Wiltshire, SN12 6EX

Aylesbury High School

GOVERNORS' REPORT

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

Structure, Governance and Management

Constitution

Aylesbury High School 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 Aylesbury High School. There are five Members of the trust: Mrs Bull (who is not a Governor) and Mr Chandler, Mr Chaudhry, Mr Rosen, and Mrs Spencer (who are Governors). The governors act as the trustees for the charitable activities of Aylesbury High School and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Aylesbury High School which operates as an academy school for pupils aged 11 to 18 serving a catchment area in north Buckinghamshire.

Details of the governors who served during the year are included in the Governance section on page 9.

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.

Governors' Indemnities

The Articles of Association state that every Governor shall be indemnified out of the assets of the School against any liability by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the School.

The School also has taken out commercial insurance providing employers' liability insurance, public liability insurance and professional indemnity insurance covering Governors' responsibilities and activities.

Method of Recruitment and Appointment or Election of Governors

Governors are appointed by unanimous decision of the Trust members. Parent Governors are elected by a vote amongst parents of the school's pupils and the outcome of the vote is adopted by the Members in making their appointment of Parent Governors. Parent Governors are limited to a term of office of 4 years.

Policies and Procedures Adopted for the Induction and Training of Governors

New governors are provided the following induction and training:

- a tour of the school with the opportunity to meet with students and staff,
- meetings with school leaders and managers appropriate to the committees and responsibilities the governor will take on,
- a pack of information and guidance,
- access to the school's Governor web site containing minutes, policies and other documentation,
- access to Buckinghamshire County Council's and the National Governor Association's web sites containing guidance and model policies, and
- a training package procured from external sources.

Aylesbury High School

GOVERNORS' REPORT (continued)

Organisational Structure

The School is structured to devolve decision taking to the appropriate level. The levels are in order: Full Governing Body, Governor Sub Committee, Headteacher, Senior Leadership Team, Department/Area/Team Leader, Budget Holder.

The Governors are responsible for setting general policy, adopting an annual plan and budget, reviewing the School's policies, monitoring the School's activities and making major decisions about the direction of the School, capital expenditure and senior staff appointments. Many of the functions are delegated to Governor Subcommittees with written Terms of Reference. The governing body has approved a scheme of delegation which sets out a statement on the system of internal control, responsibilities, standing orders, a scheme of delegation and terms of reference. The Head Teacher is directly responsible for the day to day running of the academy and is assisted by a senior leadership team.

The Headteacher has overall executive responsibility for the academy's activities including financial activities. Much of the day-to-day responsibility for managing and authorising financial activities has been delegated to the Support Staff Director. The Headteacher assumes the role of Accounting Officer.

The Headteacher is responsible for the appointment of all staff with the exception of Deputy Headteachers, which must be done in conjunction with the Governors, although a Governor will usually be invited to be part of the recruitment panel for other staff.

The Senior Leadership Team comprises the Headteacher, one Deputy Headteacher, the Support Staff Director and three Assistant Headteachers. The Senior Leadership Team control the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them. The Senior Leadership Team meets weekly and is collectively responsible for the day to day operation of the Academy, in particular organising the teaching staff, facilities and students.

The middle management of the school is organised by function and role, rather than by purely hierarchical lines, with teaching broadly managed by subject (with subjects grouped by curriculum area) and year (with years grouped by key stage) and support by functional teams.

Financial authority is specified in the School's Financial Handbook for the Governing Body, the Headteacher, specific key posts with financial responsibility and budget holders.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Governors have approved a pay policy which sets out the appropriate pay ranges for the senior leadership team in the published staffing structure. Changes to the ranges can only be made by the Governing Body. For staff below the level of Headteacher, progression up these ranges is subject to satisfactory performance as measured by annual appraisal and approval by the Headteacher. The Headteacher is subject to a similar system, but the appraisal process is undertaken by governors and approved by the Chair of Governors.

Trade Union Facility Time

The School does not have a formal arrangement with unions for consultation or staff representation, although it does support volunteer representatives of union bodies in the school and works with them informally when required. There is one member of staff who is released from their duties to represent a teacher's union in other schools across the County, but the cost of this is reimbursed by the Local Authority and so there are no figures relating to trades union facility time to be published by the School.

Related Parties and other Connected Charities and Organisations

Aylesbury High School is not a part of a formal collective or grouping, nor is it controlled by any sponsoring body apart from the Department for Education (DFE) under the terms of its Funding Agreement.

Aylesbury High School

GOVERNORS' REPORT (continued)

The School works closely with a number of local organisations for mutual benefit, including local schools, the Local Authority and teacher training organisations.

The School has a very strong link and mutual objectives with a registered charity, Aylesbury High School, charity number 1058760, ("Aylesbury High School Fund") and provides the trustees for that charity. The School exerts control over the charity by virtue of the composition of its Board, which is made up of senior staff of the School. The charity is therefore considered to be a subsidiary and has been consolidated into these accounts.

Objectives and Activities

Objects and Aims

The Academy Trust's object is to advance, for the public benefit, education in the United Kingdom by maintaining, managing and developing a school offering a broad and balanced curriculum. A further objective is to promote for the benefit of the inhabitants of Aylesbury and the surrounding areas the provision of facilities for recreation or other leisure time occupation in the interests of social welfare and with the object of improving the condition of life of the inhabitants.

Objectives, Strategies and Activities

Aylesbury High School offers every girl a balanced and broad curriculum which is forward-looking, innovative and of the highest academic quality. School staff set standards of excellence for themselves and for their students, helping each girl to reach her full potential and recognising her individual needs.

Through the formal curriculum and through a planned programme of activities outside the classroom, the staff cultivate self-confidence, independent thinking, tolerance and a sense of responsibility in the students. The School believes that learning is enhanced by a happy, friendly and secure environment characterised by co-operation and mutual respect.

The school provides opportunities for girls to develop their skills and their ideas through the arts, sport and recreation, House activities and community involvement.

The School aims to prepare girls for life in the fast-changing world of which they will become adult members, ready to play an active and positive part in the local, national and international community.

In order to continue to improve how the School meets these objectives, each year a School Improvement Plan is drawn up in consultation with staff, students, governors and parents. Each priority has a more detailed action plan which is used by the member of the leadership team identified as its lead and the individual governors who have taken on that priority for scrutiny during the year. Academic, pastoral and support staff teams have their own priorities which reflect how they can contribute to the School's direction of travel (as well as any team-specific targets). Staff have individual priorities derived from the School's list incorporated into their appraisal objectives (as well as any personal development targets).

Aylesbury High School

GOVERNORS' REPORT (continued)

For 2018/19, the Improvement Priorities were:

- TL1 Ensure that all KS3 courses build on KS2, prepare for KS4 and are challenging and enjoyable
- TL2 For GCSE, review courses to ensure we are adapting to the new specifications effectively and using meaningful progress data to inform teaching
- TL3 Sixth Form Foci
- TL4 Share the best T&L through the use of ICT, revised lesson observations and continuing our work on improving feedback to students
- TL5 Develop use of praise and reward by monitoring consistency of merits and reviewing rewards
- TL6 Enhance our careers provision to further improve our Gatsby benchmarks
- TL7 Take specific steps to engage with parents who find it harder to support their children's education, including attendance at school events
- P1 Review and where possible reduce staff workload in the light of DfE recommendations
- P2 Widen the work of AVTP to further benefit AHS and Aylesbury Vale schools, and meet DfE KPIs
- R1 Celebrate AHS' Sixtieth Year in style!

Public Benefit

In setting the Academy's objectives and planning its activities the Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee-charging. By its constitution, the Academy supports the education of any female child meeting the approved entrance criteria who is placed at Aylesbury High School and hence does not require any parent to pay fees towards the general education of the pupils. The core aims of the Academy are met through the provision of teaching staff and facilities, with appropriate support and extended through the provision of trips, extracurricular activities and by making facilities available for the greater community good. The school is open to all pupils regardless of their background and is funded primarily by Government grants but also by the Aylesbury High School Fund, a separate but connected charity set up to hold monies donated by parents and well-wishers in support of the school and its aims.

Fundraising

The School raises charitable donations to help to develop the school facilities and resources to ensure that every girl is able to fulfil her potential, wherever her strengths lie. The School has to rely on the generosity of parents, alumni and other benefactors as it is unable to fund significant improvements from the annual DfE grant alone. The School conscientiously observes the Department for Education guidelines on fundraising from parents and past students. The School's fundraising practice includes:

- all donations, large or small, are acknowledged and remain anonymous unless specific to the fundraising campaign (commemorative plaques, for example);
- non-donors in our parent and alumni community are not targeted to pursue their donations, such as by personalised direct mailings to non-donors;
- limiting the calendar of fundraising communications with no more than three direct communications annually, supported by website and Newsletter 'passive' promotion;
- offering a range of academic, social and networking events to raise donations;
- continually monitoring fundraising activity to ensure that it is appropriate for the donor base and regularly evaluating reactions; and
- in all fundraising communications openly, effectively and responsibly explaining the fundraising work to our students, parents, alumni and other donors and supporters, and celebrating their significant contribution to the development of the School.

The School does not currently work with any commercial participators or professional fundraisers. It does follow the Fundraising Regulator's Code of Fundraising Practice and the legal rules that apply to fundraising and the standards designed to ensure that fundraising is open, honest and respectful. Additionally, all donations and donor information is managed in compliance with GDPR requirements.

Aylesbury High School

GOVERNORS' REPORT (continued)

The Privacy Notice for the School's Donors and Alumni (Annex D) in the AHS Data Protection and Privacy Policy 2019 details how the School protects donors' personal data. Complaints appropriate to data protection are directed to the AHS Data Protection Officer. Concerns or complaints from parent, alumni, supporters or others about fundraising activities are directed to the Development & Alumni Relations Director, Head Teacher, or any member of the Senior Leadership Team. Such concerns or complaints would be rigorously investigated in a timely way, addressed appropriately and any subsequent actions communicated to the individual who initially raised the concern or complaint. As part of the School's commitment to best practice, all records of these concerns and complaints are reviewed by the Trustees.

Strategic Report

Achievements and Performance

The School Governors successfully appointed a new Headteacher following the retirement of Mr Rosen from the post at the end of the period. The change in leadership will inevitably bring opportunities, but the Governors are satisfied that the School is in a sound financial and operational condition for the transition.

During 2018-19 the School lost its Teaching School designation. This was, in simple terms, due to a change in the Government's approach to Teaching Schools to refocus them solely on training teachers, which was an aspect the School contributed to in partnership with other Teaching Schools, but did not lead. The area of professional development, which was the school's area of expertise, continues to be a challenge for schools in Buckinghamshire and the surrounding area and as such AHSI will continue its activities in this field, under the badge of the Aylesbury Vale Teaching Partnership (AVTP). Indications are that it will continue to be self-funding and the removal of the bureaucracy and financial restrictions imposed by the Department for Education through the Teaching School system will more than outweigh the loss of Teaching School funding.

The completion of the Tower Block Project within budget and on time to meet the start of the new academic year was a major achievement. The project tackled the single largest area of educational space which had seen no improvement since the School converted to Academy status. The refurbished classrooms bring benefits to Teaching and Learning with comfort cooling, sound absorbing floor materials and modern heating and an environmental benefit from modern LED lighting and the efficiencies in the heating. Additionally all classrooms have been equipped with large smart display screens instead of the previous projectors, enabling far greater interaction with the 1:1 device system adopted by the school. This latter was supported by fundraising by the School's parent-teacher organisation, the AHS Association, who provided the funding for the boards in half the classrooms.

The School continues to see outstanding pupil achievement both in public examination results and also in the broader development of students. Key points in formal attainment are:

- The Government's measure of Value added at the end of Key Stage 4, Progress 8, shows a value of +0.61 which puts the School in the top 15% of school's nationwide.
- GCSE Results were very strong with the following highlights:
 - 70% of results were grade 7 or higher and the average grade was 7.
 - 58% of students gained at least 8 results at Grade 7 or better.
 - 20% of results were at the very highest level of grade 9.
- GCE Results were pleasing with most students gaining entry to their first choice university or their alternative further education (eg apprenticeship). Results were:
 - 67% of results were a grade B or higher and the average grade was a B.
 - 42 students achieved 3 or more A/A* grades
 - 11% of results were at the very highest grade of A*

Outside of the formal classroom, the School has had an exceptional year with the following headlines:

- Sports
 - U16 Basketball National Champions

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GOVERNORS' REPORT (continued)

- U19 Basketball National runners up
- Y8 Basketball junior NBA silver medals
- Y7 Basketball junior NBA bronze medals
- KS3 Squash 6th National finalists
- KS5 Squash 4th National finalists
- Junior Girls Athletics National finalists
- Regional A inter-girls finals runners up
- District Overall Champions (girls) and 7/8/9 Regional winners
- Junior girls Cross country National finalists
- Inter-girls Cross country regional finalists
- Girls South Eastern Championships at Harrow School - bronze medalists
- Junior Girls Medley Team National finalists ESSA 2018 Secondary Championships
- Silver individual medalist (breaststroke) at the National Swimming Championships
- Wycombe Swimming League winners: Juniors, Inters and Seniors)
- Bucks School Games Triathlon winners for Inter Girls team
- 15 Leaders trained in the Swim England Aquatic Leader programme
- 5 previous Aquatic Leaders qualified as Level 1 Swimming teachers
- 15 Leaders trained as British Triathlon Activators for Bucks Schools Games
- 11 girls took part in Open Water Swimming Training last summer
- World Challenge Expedition to Belize in July 2019
- Exceptional year for Duke of Edinburgh Award with the largest completion numbers in the South East and 23 gaining Gold D of E.

Going Concern

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

Key Financial Performance Indicators

The School's key academic performance indicators are reported above under "Achievements and Performance". From a financial perspective, Aylesbury High school operates under a funding agreement from the Department for Education which severely restricts the ability of the school to take on financial liabilities. Consequently financial performance indicators are driven by the need to match operational expenditure to grant income (ie day to day income and expenditure before taking account of capital expenditure, depreciation and actuarial adjustments). In the year to 31 August 2019 the school only partially met its indicator of maintaining operational expenditure within funding and staying within planned budget. Across most budgets spending was as planned, but overall spending exceeded income due primarily to decisions taken to renew non-capital IT equipment and IT support to tackle some long-standing improvements to the schools educational systems associated with the introduction of the 1:1 Device system whereby every student in the school will have an internet connected laptop, Chromebook or similar to use during lessons. The other area that saw unexpected increases was direct staff costs due to one-off additional expenditure required for cover added to planned increases in student lessons hours. The Governors are content that the additional costs were transitory in nature during the year and the budget going forward reflects a balanced situation.

Financial Review

Aylesbury High School is in a sound financial position having met its core operational expenditure from the primary source of income, General Annual Grant money from the government (provided via the Education Funding Agency) supported by modest use of reserves to cover one-off additional costs. The bulk of the Grant has been spent on the salaries of the staff of the school, with the remainder supporting the maintenance and development of the premises and purchasing of educational resources.

Aylesbury High School

GOVERNORS' REPORT (continued)

In the period, expenditure of the school (not including depreciation charges nor parent-funded activity) was £6,470k which was funded by General Annual Grant and other funding income of £5,984k plus £114k of reserves. The IT improvements mentioned earlier amounted to £135k, of which approximately £15k was routine expenditure showing that without the IT improvements the School would have met its operational costs from its core funding. Student activities (such as trips) was funded by parental contribution and amounted to £563k.

Discounting capital spend and actuarial adjustments, the school expended a total of £7,457, seeing a net deficit of £219k. Capital income was £319k in grants and spend on additions amounted to £1,188k (although it should be noted that some of these figures relate to multi-year projects). There was an actuarial adjustment to increase the LGPS pension by £331k which, together with the SOFA elements of the pensions, left a net increase in the liability of £578k.

In real terms, the school has spent a significant portion of its available reserves in refurbishing the Tower block and other capital and non-capital improvements. As a result of the actuarial adjustment the overall funds for the school have seen a decrease from £8,615k to £8,065. The school started the year with net current assets of £962k with additional reserves in School Fund of £268k. At the end of year these respective values were £322k and £179k; a net decrease of £729k, which equates to the bulk of the cost of the Tower Block improvement which cost approximately £900k.

Reserves Policy

The Governors have adopted the general policy principle that government funding should normally be spent on the pupils attending Aylesbury High School during the year in which the funding is given, making suitable, but minimum prudent, provision to safeguard the School against unforeseen circumstances. However, given the current financial climate in which there will be limited money available from government sources to pay for new capital work, the School will need to accrue reserves over a period of time to support aspirations for capital outlay.

The academy may not borrow money on the open market and so must maintain solvency at all times. The two areas of expenditure which require very large payments are major work on the fabric of the school and the monthly salary bill. Cash flow may be affected by circumstances leading to large invoices coinciding or any emergent defect or damage in the fabric of the school requiring immediate work to prevent a significant impact on the functioning of the school.

The Governors reserves policy is to maintain a reserve of unrestricted funds of at least £75k to deal with contingencies and build up a reserve of designated funds for long term capital development by setting aside at least £50k per annum. During 2018-19 the accumulated capital development fund of £300k was used towards the cost of refurbishing the Tower Block. For the start of 2019-20, £100k has been set aside from unrestricted funds to deal with contingencies.

As at 31 August 2019 the School held unrestricted reserves of £177k (2018: £509k) which included the designated reserves mentioned above, and restricted reserves of £179k (2018: £268k) in School Fund and £122k (2018: £437k) of other restricted and designated funds. Total useful reserves, therefore, equated to £478k (2018: £1,214k). Fixed assets reserves accounted for a further £10278k (2018: £9,514k) and the pension liability was (£2,691k) (2018: (£2,113k)).

Financial and Risk Management Objectives and Policies

Given the nature of the school as an academy, the 'financial instruments' that the School deals with are largely bank balances, cash and trade creditors, with limited trade (and other) debtors; consequently there are limited risks in the School's financial and business activities and they do not materially affect the assessment of the school's assets and state.

Liquidity risks are managed by maintaining sufficient cash reserves to deal with unexpected arising's (see the Reserves Policy below). Reserves are not invested in volatile instruments, but in major banks as deposit

Aylesbury High School

GOVERNORS' REPORT (continued)

accounts. The academy currently has healthy levels of reserves and the liquidity risk, credit risk and cash flow risk to the academy is very low.

The School inherited a pension deficit from Buckinghamshire County Council relating to its support staff in the Local Government Pension Scheme. The nature of this scheme is such that the deficit is linked to the demographic of the staff rather than to individuals' liabilities and will change with staff resignations and appointments. The increased deficit in 2019 is a potential risk to the School since if it continues to grow then increased employer contributions will be inevitable. However, the increase this year reversed a similar decrease last year, both of which are down to changes in actuarial assumptions, most likely due to the current economic climate and so the risk of increased contribution rates is judged as remaining low. Otherwise the deficit is not a risk to the school as it has been underwritten by the DfE in the event that the school were to cease operating.

Principal Risks and Uncertainties

The principal risk facing the academy at present remains from increased staff costs in a climate of restricted increases to government funding and an uncertain political climate. The introduction of the National Funding Formula by the Government has removed this risk in the immediate future; since the school was consistently in the bottom few schools when comparing funding levels per student it has gained a significant increase in Government funding in the coming financial year (2019-20). However, the relaxing of the Government's tight pay restrictions, along with expected increases in Teacher pension costs in the next few years, will negate this increase within 2 years unless there is a more general increase to funding levels. It should be noted that whilst the Government has partially funded the teachers' pay increase and fully funded the increase in Teachers Pensions employer's rate, the mechanism has been an additional specific grant which until properly subsumed into core education funding through a spending review remains at risk of being cut.

Investment Policy

The school's funding position and the need to continue to improve the site (including rectifying years of under-investment in capital projects before conversion), means that the school is unlikely to build up significant cash reserves in the medium term. Surpluses are therefore only invested in bank deposit accounts and not in other financial instruments.

Funds held as Custodian Trustee on behalf of others

The school acts as custodian to the 16-19 bursary fund. The fund represents monies paid by the EFSA to the school and is administered to provide financial assistance to those young people who face a financial barrier to continuing in education or training post-16. The School Fund manages a few small bequests which provide direct grants to students.

Plans for Future Periods

Having completed the major refurbishment of the Tower Block, and following a number of years of significant investment in the School's infrastructure, 2019-20 will see a review of capital priorities. However, improvements to site security are already in planning and should go ahead during the next period.

Auditor

Landau Baker Ltd has indicated its willingness to continue in office.

Statement as to Disclosure of information to Auditors

The governors have confirmed that, as far as they are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware;

Aylesbury High School

GOVERNORS' REPORT (continued)

- and the governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Governors' Report is approved by order of the Governing Body and the Strategic Report (included therein) is approved by the Governing Body in their capacity as the directors at a meeting on 9 December 2019 and signed on its behalf by:



J Chandler
Chair

Aylesbury High School

GOVERNANCE STATEMENT

Scope of Responsibility

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

The Governing Body has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Aylesbury High School and the Secretary of State for Education. The Headteacher is also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Governance

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

Governor	Meetings attended	Out of a possible
Mrs H Bush	5	5
Mr J Chandler	5	5
Mr A Chaudhry	4	5
Mr J Clarke	4	5
Mr J Cook	4	5
Mr J Davis	4	5
Mrs C Elliot	4	5
Mr N Esslemont	5	5
Mr M Francas	5	5
Mrs A Pexton	5	5
Mr D Phillips	5	5
Mr A Rosen	5	5
Mrs G Sharman	5	5
Dr K Weir	5	5
Mrs L Westcott	2	5
Mr A Woods	5	5

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GOVERNANCE STATEMENT (continued)

The Resources Committee is a sub-committee of the main governing body. Its purpose is to deal in detail with finance and resource issues for and on behalf of the Governing body, reporting back where appropriate. During the period Mr Clarke left the Committee. Attendance at meetings in the period was as follows:

Governor	Meetings attended	Out of a possible
Mr J Chandler	6	6
Mr A Chaudhry	4	6
Mr J Davis	6	6
Mrs C Elliot	1	6
Mr N Esslemont	6	6
Mrs A Pexton	5	6
Mr D Phillips	4	6
Mr A Rosen	6	6
Mrs G Sharman	5	6
Mr A Woods	5	6

Review of Value for Money

As Accounting Officer the Headteacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received. The Accounting Officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the academy trust has delivered improved value for money during the year by:

- applying the four principles of best value when making decisions
- benchmarking performance and financial data with other schools
- not wasting time or resources to obtain minor savings or negligible efficiency improvements
- deploying staff to provide best value
- considering the allocation of facilities and deployment of resources carefully
- ensuring staff use procedures which provide best value
- monitoring across many levels, including budgets, academic performance, staff performance and value added to pupils attainment
- supporting and encouraging governor involvement

Specifically this year the school has:

- expended reserves on modernising the Tower Block, completed the project to replace the original pitched roofs of the 1970's blocks, and completed the project to modernise and refurbish a boiler room dating back to the 1970's, all of which will bring these areas up to modern standards and in the process save energy and maintenance costs in the future
- introduced a new accounting software package, SAGE on line, at a reduction in annual cost to the School
- competitively obtained a new support contract for office style printers around the school
- reviewed Governor support and clerking arrangements
- competitively introduced a new cashless catering system

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 the School's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Aylesbury High School for the year ended 31 August 2019 and up to the date of approval of the annual report and financial statements.

Aylesbury High School

GOVERNANCE STATEMENT (continued)

Capacity to Handle Risk

The Governing Body has reviewed the key risks to which Aylesbury High School is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal on-going process for identifying, evaluating and managing Aylesbury High School's significant risks that has been in place for the year ended 31 August 2019 and up to the date of approval of the annual report and consolidated financial statements. This process is regularly reviewed by the Governing Body.

The Risk and Control Framework

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

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

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors have contracted for Landau Baker Ltd to complete additional checks of Aylesbury High School's financial systems during the year. Landau Baker Ltd reported to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities. The Governors are satisfied that this process suitably informs their governance statements.

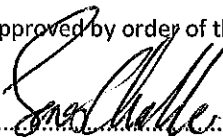
Review of Effectiveness

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

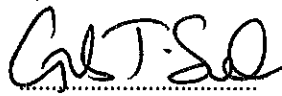
- the programme of supplementary work by Landau Baker Ltd;
- the work of the external auditor;
- the work of the executive managers within Aylesbury High School who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Resources Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 9 December 2019 and signed on its behalf by:



J Chandler
Chair



G Scoble
Accounting Officer

Aylesbury High School

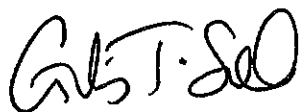
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Aylesbury High School I have considered my responsibility to notify the School's governing body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFSA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As my part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the academy trust governing body 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 2019.

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.

If any instances are identified after the date of this statement, these will be notified to the Governing Body and the Education Funding Agency.



G Scoble
Accounting Officer

Date: 9 December 2019

Aylesbury High School

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The governors (who act as trustees for the charitable activities of Aylesbury High School and are also the directors of the Charitable Company and Group for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Annual Accounts Direction 2018 to 2019 published by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the governors to prepare financial statements for each financial year. Under company law the governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the governors 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
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

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

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

Approved by order of the members of the Governing Body on 9 December 2019 and signed on its behalf by:


J Chandler
Chair

Date: 9 December 2019

Aylesbury High School

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AYLESBURY HIGH SCHOOL
FOR THE YEAR ENDING 31 AUGUST 2019

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

Aylesbury High School

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AYLESBURY HIGH SCHOOL
FOR THE YEAR ENDING 31 AUGUST 2019

work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Aylesbury High School

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AYLESBURY HIGH SCHOOL
FOR THE YEAR ENDING 31 AUGUST 2019

Use of our report

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

 for Landau Baker Limited

Michael Durst (Senior statutory auditor)
for and on behalf of
Landau Baker Limited
Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

Date: 26 November 2019

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Aylesbury High School

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES)

for the year ended 31 August 2019

	Note:	Unrestricted Funds (£000s)	Restricted Funds (£000s)	Restricted Fixed Asset Funds (£000s)	2019 Total (£000s)	2018 Total (£000s)
INCOME AND ENDOWMENTS FROM						
Donations and capital grants	1	4	51	319	374	646
<i>Charitable activities</i>						
Funding for academy trust educational operations	2	63	6,646	-	6,709	6,304
Funding for Teaching School		-	70	-	70	196
Other trading activities	3	65	14	-	79	139
Investments	4	5	1	-	6	2
TOTAL INCOMING RESOURCES		137	6,782	319	7,238	7,287
EXPENDITURE ON						
Raising funds		39	74	-	113	118
<i>Charitable activities</i>						
Academy trust educational operations	5	69	6,746	418	7,233	6,641
Teaching School expenses	7	-	105	6	111	117
TOTAL RESOURCES EXPENDED		108	6,925	424	7,457	6,876
Transfer(s) between funds		(360)	(508)	868	-	-
Net income/(expenditure)		(331)	(651)	763	(219)	411
OTHER RECOGNISED GAINS AND LOSSES						
Actuarial gains/(losses) on defined pension schemes		-	(331)	-	(331)	479
NET MOVEMENT IN FUNDS		(331)	(982)	763	(550)	890
RECONCILIATION OF FUNDS						
Funds brought forward		509	(1,408)	9,514	8,615	7,725
FUNDS CARRIED FORWARD		178	(2,390)	10,277	8,065	8,615

All of the Academy Trust's activities derive from continuing operations during the above two financial years.

Aylesbury High School

BALANCE SHEETS

31 August 2019

Company Registration No. 07633357

	Company 2019 (£000s)	Group 2019 (£000s)	Company 2018 (£000s)	Group 2018 (£000s)
FIXED ASSETS				
Tangible assets	10,278	10,278	9,514	9,514
	<u>10,278</u>	<u>10,278</u>	<u>9,514</u>	<u>9,514</u>
CURRENT ASSETS				
Stock	24	24	33	33
Debtors	407	237	351	362
Cash	730	1,079	1,081	1,391
	<u>1,161</u>	<u>1,340</u>	<u>1,465</u>	<u>1,786</u>
CREDITORS				
Creditors due within 1 year	(839)	(839)	(503)	(556)
NET CURRENT ASSETS	<u>322</u>	<u>501</u>	<u>962</u>	<u>1,230</u>
TOTAL ASSETS LESS CURRENT LIABILITIES				
Creditors falling due after 1 year	(23)	(23)	(16)	(16)
TOTAL ASSETS LESS PENSION LIABILITY	<u>10,577</u>	<u>10,756</u>	<u>10,460</u>	<u>10,728</u>
Pension liability	(2,691)	(2,691)	(2,113)	(2,113)
NET ASSETS INCLUDING PENSION LIABILITY	<u>7,886</u>	<u>8,065</u>	<u>8,347</u>	<u>8,615</u>

FUNDS OF THE ACADEMY:	Company 2019 (£000s)	Group 2019 (£000s)	Company 2018 (£000s)	Group 2018 (£000s)
Restricted funds				
Fixed asset funds	10,278	10,278	9,514	9,514
Pension reserve	(2,691)	(2,691)	(2,113)	(2,113)
Extracurricular funds	45	45	27	27
Designated Reserves	77	77	118	118
School Fund	-	179	-	267
General funds	-	-	293	293
Total restricted funds	<u>7,709</u>	<u>7,888</u>	<u>7,839</u>	<u>8,106</u>
Unrestricted funds				
Designated funds	76	76	283	283
General funds	101	101	226	226
Total unrestricted funds	<u>177</u>	<u>177</u>	<u>509</u>	<u>509</u>
TOTAL FUNDS	<u>7,886</u>	<u>8,065</u>	<u>8,348</u>	<u>8,615</u>

The financial statements on pages 20 to 45 were approved by the governors and authorised for issue on 9 December 2019, and are signed on their behalf by:



J Chandler
Chair

Aylesbury High School
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 August 2019

CASH FLOW STATEMENT

	2019	2018
	Total	Total
	(£000s)	(£000s)
Cash flows from operating activities		
Net cash provided by (used in) operating activities	551	373
Cash flows from investing activities	(863)	(360)
Change in cash and equivalents in the reporting period	(312)	13
Cash and Cash equivalents at 1 Sep 2018	<u>1,391</u>	
Cash and Cash equivalents at 1 Sep 2019	<u><u>1,079</u></u>	<u><u>1,391</u></u>

Aylesbury High School

ACCOUNTING POLICIES

Basis of preparation

The financial statements of Aylesbury High School, 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), the Charities SORP (FRS102), the Academies Accounts Direction issued by EFSA, the Charities Act 2011 and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

Aylesbury High School meets the definition of a public benefit entity under FRS 102.

Basis of consolidation

The consolidated financial statements incorporate those of Aylesbury High School and its School Fund for the year. The financial statements are for the period from 1 September 2018 to 31 August 2019 for the academy and consolidate for the same period the results of the Aylesbury High School Fund. The financial statements have been consolidated on a line by line basis. All intra-group transactions and balances are eliminated fully on consolidation.

Going concern

The financial statements have been prepared under the going concern basis. No material uncertainties related to events or conditions cast a significant doubt on the ability of the school to continue as a going concern. The governors make this assessment in respect of a period of at least one year from the date of approval of the financial statements. Aylesbury High School has secured sufficient funding from the Education Funding Agency to cover expected expenditure for the next academic year.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

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

Incoming resources

All incoming resources are recognised when the Academy Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Aylesbury High School

ACCOUNTING POLICIES (CONTINUED)

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. The General Annual Grant ('GAG') from the Department for Education, which is intended to meet recurrent costs, is recognised on a receivable basis and is credited directly to the Statement of Financial Activities. Other grants from government agencies and other bodies are recognised in the period in which they are receivable to the extent the conditions of funding have been met. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received the income is accrued.

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

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

Other income

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

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy; this is normally upon notification of the interest paid or payable by the Bank.

Debtors

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

Cash at Bank and in hand

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

Liabilities and provisions

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

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 as detailed in note 14. Prepayments are not financial instruments.

Aylesbury High School

ACCOUNTING POLICIES (CONTINUED)

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 16. 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.

Resources expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to each activity cost category on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Expenditure on raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Expenditure on charitable activities are costs incurred on the School's educational operations and other charitable objectives, including support costs, and costs associated with governance of the School

All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets

Tangible fixed assets costing £5,000 or more are capitalised at cost 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. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, funds are transferred to the Restricted General Fund and depreciation is therefore charged to the General Annual Grant portion of General Restricted Funds.

On conversion to an academy, Aylesbury High School took a 125 year lease on the property and land of the school from Buckinghamshire County Council. The capital value of this is reflected in the accounts, and is depreciated over the lifetime of the lease.

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 lives, as follows:

Leasehold Land and Buildings

Buildings	2%	50 year life
Land	lease lifetime	125 years

Fixtures, Fittings, and Equipment

Building Plant and Fixtures	10%	10 year life
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Computer Hardware

Electronic Equipment	20%	5 year life
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Aylesbury High School

ACCOUNTING POLICIES (CONTINUED)

Fixed assets which are under construction which are not materially complete at year end are classified as "Assets under Construction". The value capitalised at year end will be based on invoices dated prior to year-end which have been authorised for payment (either by the school, quantity surveyor or other project manager engaged by the school). Depreciation will not be applied to part-complete assets until the year-end following their completion.

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.

Fund accounting

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

Restricted General Funds are resources subject to specific restrictions imposed by funders or donors, and include grants from the Education Funding Agency.

Restricted Fixed Assets Funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency or persons or charitable bodies making the donation, where the asset acquired or created is held for a specific purpose.

Stock

Stocks are valued at the lower of cost or net realisable value. Unsold donated items are not included.

Taxation

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

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

Operating leases

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

Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 25, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on

Aylesbury High School

ACCOUNTING POLICIES (CONTINUED)

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.

Agency arrangements

The Academy Trust acts as an agent in the administering of 16-19 Bursary Funds from the EFSA. Related payments received from the EFSA and subsequent disbursements to students are excluded from the statement of financial activities to the extent that the Academy Trust does not have a beneficial interest in the individual transactions. The allowance of 5% as a contribution to administration costs has been taken by the school. Where funds have not been fully applied in the period then an amount will be included as amounts due to the EFSA.

Aylesbury High School

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2019

1 DONATIONS AND CAPITAL GRANTS

	Unrestricted Funds (£000s)	Restricted Funds (£000s)	Restricted Fixed Asset Funds (£000s)	2019 Total (£000s)	2018 Total (£000s)
Capital grants and donations	-	-	319	319	593
Other donations	4	51	-	55	53
	<u>4</u>	<u>51</u>	<u>319</u>	<u>374</u>	<u>646</u>

2 FUNDING FOR CHARITABLE ACTIVITIES

	Unrestricted Funds (£000s)	Restricted Funds (£000s)	Restricted Fixed Asset Funds (£000s)	2019 Total (£000s)	2018 Total (£000s)
DFE/EFSA REVENUE GRANTS					
General Annual Grant	-	5,964	-	5,964	5,615
Other DfE/EFSA grants	-	20	-	20	51
	<u>-</u>	<u>5,984</u>	<u>-</u>	<u>5,984</u>	<u>5,666</u>
OTHER GOVERNMENT GRANTS					
Local Authority grants	-	5	-	5	7
Special educational projects	-	17	-	17	2
	<u>-</u>	<u>22</u>	<u>-</u>	<u>22</u>	<u>9</u>
OTHER INCOME					
Hire of facilities	-	64	-	64	60
Educational activities	23	540	-	563	523
Other income	40	36	-	76	46
	<u>63</u>	<u>640</u>	<u>-</u>	<u>703</u>	<u>629</u>
Total	<u>63</u>	<u>6,646</u>	<u>-</u>	<u>6,709</u>	<u>6,304</u>

3 OTHER TRADING ACTIVITIES

	2019 Total (£000s)	2018 Total (£000s)
Sale of school uniform and related stock	43	77
Other trading income	36	62
	<u>79</u>	<u>139</u>

Aylesbury High School

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2019

4 INVESTMENT INCOME

	2019 Total (£000s)	2018 Total (£000s)
Bank interest	<u>6</u>	<u>2</u>
	<u>6</u>	<u>2</u>

5 RESOURCES EXPENDED

	Staff Costs (£000s)	Non pay expenditure: Premises (£000s)	Other (£000s)	2019 Total (£000s)	2018 Total (£000s)
Expenditure on raising funds	45	-	68	113	118
Educational operations:					
Direct costs	4,314	150	1,235	5,699	5,105
Support costs	690	706	138	1,534	1,536
Teaching School	-	-	111	111	117
	<u>5,049</u>	<u>856</u>	<u>1,552</u>	<u>7,457</u>	<u>6,876</u>

Net expenditure for the year includes:

	2019 Total (£000s)	2,018 Total (£000s)
Operating lease rentals	14	14
Depreciation	424	386
Fees payable to auditor for:		
Audit	8	7
Audit (prior years)	2	-
Other services	1	1

Aylesbury High School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2019

6 EDUCATIONAL OPERATIONS

	2019 Total (£000s)	2018 Total (£000s)
Direct Costs		
Teaching and educational support staff costs	4,314	3,823
Depreciation	334	323
Technology costs	135	46
Educational supplies	691	685
Examination fees	150	121
Staff development	8	30
Educational consultancy	51	59
Other direct costs	16	18
	<u>5,699</u>	<u>5,105</u>
Support costs		
Support staff costs	686	748
Depreciation	84	63
Technology costs	1	9
Recruitment and support	52	42
Maintenance of premises and equipment	111	121
Cleaning	31	14
Rent and rates	38	33
Energy costs	80	72
Insurance	22	26
Security and transport	-	-
Catering	28	15
Bank interest and charges	9	11
Other support costs	126	125
Pension finance costs	247	242
Governance costs	19	15
	<u>1,534</u>	<u>1,536</u>
	<u><u>7,233</u></u>	<u><u>6,641</u></u>

Aylesbury High School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2019

7 TEACHING SCHOOL

	2019 Total (£000s)	2018 Total (£000s)
Income		
DFE/EFA grant income	8	56
Other income	62	140
Total income	<u>70</u>	<u>196</u>
Expenditure		
Direct costs		
Direct staff costs	52	46
Staff development	-	17
Other direct costs	32	22
Total direct costs	<u>84</u>	<u>85</u>
Other costs		
Support staff costs	19	16
Depreciation	6	4
Technology costs	-	1
Other support costs	2	11
Total support costs	<u>27</u>	<u>32</u>
Total Expenditure	<u>111</u>	<u>117</u>
Surplus / (deficit) from all sources	(41)	79
Teaching School balance at 1 Sep 2018	<u>118</u>	<u>39</u>
Teaching School balance at 1 Sep 2019	<u>77</u>	<u>118</u>

Note: in December 2019 the DfE rescinded the status of Teaching School. However, during the year the activities which had been planned were continued making it impossible to derive a part-year set of accounts for the Teaching School. Therefore, a full year of activity is shown here. In future years any such activity will be incorporated into the general educational activities of the School.

Aylesbury High School

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2019

8 STAFF COSTS

	2019 Total (£000s)	2018 Total (£000s)
Staff costs during the period were		
Wages and salaries	3,992	3,667
Social security costs	361	354
Pension costs	663	640
Apprenticeship levy	4	4
	<u>5,020</u>	<u>4,665</u>
Agency teacher costs	11	43
Agency support costs	90	105
	<u>5,121</u>	<u>4,813</u>

Staff Numbers

The average number of persons (including senior management team) employed by the School during the period was as follows:

	Headcount:		Full time equivalence:	
	2019 Total	2018 Total	2019 Total	2018 Total
Teachers	77	78	67	67
Administration and support	65	63	37	36
Management	6	6	6	6
	<u>148</u>	<u>147</u>	<u>110</u>	<u>109</u>

The number of employees whose emoluments (excluding employer pension contributions) fell within the following bands was:

	2019 No.	2018 No.
£60,001 - £70,000	2	2
£100,000-£100,010	1	1

Key management personnel

The key management personnel of the School comprise the trustees and the Senior Leadership Team as listed on page 1. Trustees receive no remuneration for their services. The total amount of employee benefits (including employer pension contributions) received by the Senior Leadership Team for their services to the school was: £477,109 (2018: £442,289).

Aylesbury High School

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2019

9 TRUSTEE'S REMUNERATION AND EXPENSES

Whilst the Headteacher's salary reflects the requirement to act as a trustee, other voluntary staff governors only receive remuneration in respect of services they provide undertaking their roles as members of staff under their contracts of employment and consequently receive no remuneration whatsoever in respect of their services as governors. Other governors did not receive any payments from the Academy Trust in respect of their role as governors. The values of staff governors' remuneration and other benefits were as follows:

A Rosen (Headteacher and Governor) remuneration: £100,000-£110,000, employers pension contribution: £10,000-£20,000; L Westcott (Governor) remuneration: £20,000-£30,000, employers pension contribution: £0-£10,000; A Pexton (Governor) remuneration: £20,000-£30,000, employers pension contribution: £0-£10,000; GJ Cook (Governor) remuneration: £30,000-£40,000, employers pension contribution: £0-£10,000.

During the period ended 31 August 2019, £ nil (2018: £ nil) of travel and subsistence expenses were reimbursed to governors.

Related party transactions involving the governors are set out in note 27.

10 TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £5,000,000 on any one claim. The cost for this insurance is included in the total insurance cost but it is not possible to quantify the governors' and officers' indemnity element separately from the overall cost of the insurance package.

11 TANGIBLE FIXED ASSETS

	Leasehold land and buildings (£000s)	Fixtures, plant and equipment (£000s)	Computer hardware (£000s)	Total (£000s)
Cost:				
As at 1 Sep 2018	10,889	843	139	11,871
Additions	1,063	91	34	1,188
Transfers	130	(130)	-	-
Total at 31 August this year	<u>12,082</u>	<u>804</u>	<u>173</u>	<u>13,059</u>
Depreciation				
As at 1 Sep 2018	2,156	185	16	2,357
Charged in period	333	66	25	424
Total at 31 August this year	<u>2,489</u>	<u>251</u>	<u>41</u>	<u>2,781</u>
Net book value 31 August 2019	<u>9,593</u>	<u>553</u>	<u>132</u>	<u>10,278</u>
Net book value 31 August 2018	<u>8,733</u>	<u>658</u>	<u>123</u>	<u>9,514</u>

Note: the transfer of assets between plant and buildings reflects a re-designation of assets following the integration of the fixed asset register into the new accounting software at the end of last year and is effectively a correction. Depreciation has not been recalculated, and will follow accounting policies going forward.

Aylesbury High School

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2019

12 SCHOOL FUND FIGURES CONSOLIDATED INTO COMPANY SOFA AND BALANCE SHEET

The academy controls Aylesbury High School, School Fund, a separate registered charity in England and Wales, by virtue of the composition of its board, which is made up of academy staff. The results for the charity, excluding any consolidation adjustments included in these financial statements were:

	2019 Total (£000s)	2018 Total (£000s)
Statement of Financial Activities		
Incoming resources	79	80
Resources expended	<u>(172)</u>	<u>(113)</u>
Net movement in period	<u>(93)</u>	<u>(33)</u>
Funds brought forward	<u>272</u>	<u>304</u>
Funds carried forward	<u>179</u>	<u>271</u>
Balance Sheet		
Assets	352	321
Liabilities	<u>(173)</u>	<u>(50)</u>
	<u>179</u>	<u>271</u>
Funds		
Designated restricted funds	9	11
General restricted funds	<u>170</u>	<u>261</u>
Total funds	<u>179</u>	<u>271</u>

13 STOCK

	Company 2019 (£000s)	Group 2019 (£000s)	Company 2018 (£000s)	Group 2018 (£000s)
School uniform and related stock	21	21	29	29
Educational resources	<u>3</u>	<u>3</u>	<u>4</u>	<u>4</u>
	<u>24</u>	<u>24</u>	<u>33</u>	<u>33</u>

14 DEBTORS

	Company 2019 (£000s)	Group 2019 (£000s)	Company 2018 (£000s)	Group 2018 (£000s)
Trade debtors	14	14	12	12
VAT recoverable	120	120	96	96
Other debtors	179	9	107	109
Prepayments and accrued income	<u>94</u>	<u>94</u>	<u>136</u>	<u>145</u>
	<u>407</u>	<u>237</u>	<u>351</u>	<u>362</u>

Aylesbury High School

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2019

15 CREDITORS: Amounts falling due within one year

	Company 2019 (£000s)	Group 2019 (£000s)	Company 2018 (£000s)	Group 2018 (£000s)
Trade creditors	5	5	-	-
Other taxation and social security	91	91	86	86
EFA creditor: abatement of GAG	-	-	-	-
Other creditors	252	252	65	120
Other loans	-	-	-	-
Accruals and deferred income	491	491	352	350
	<u>839</u>	<u>839</u>	<u>503</u>	<u>556</u>
Deferred income				
Deferred income at 1 September 2018	167	167	140	140
Amounts released from previous years	(167)	(167)	(140)	(140)
Resources deferred in the year	151	151	167	167
Deferred income at 31 August 2019	<u>151</u>	<u>151</u>	<u>167</u>	<u>167</u>

Deferred income relates to grant income received in advance and income in relation to school trips which have not yet taken place.

16 CREDITORS: Amounts falling due after more than one year

	2019 Total (£000s)	2018 Total (£000s)
Other creditors	<u>23</u>	<u>16</u>
	<u>23</u>	<u>16</u>

Aylesbury High School

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2019

17 FUNDS

	2018 Brought forward (£000s)	Incoming resources (£000s)	Outgoing resources (£000s)	Gains, Losses and Transfers (£000s)	Year Ended 2019 Total (£000s)
RESTRICTED GENERAL FUNDS					
General Annual Grant (GAG)	293	6,031	(5,940)	(384)	-
Pupil premium	-	56	(56)	-	-
Pension reserve	(2,113)	-	(247)	(331)	(2,691)
Other grants	27	539	(522)	-	44
Teaching School	118	70	(111)	-	77
*School Fund	267	85	(48)	(125)	179
	<u>(1,408)</u>	<u>6,781</u>	<u>(6,924)</u>	<u>(840)</u>	<u>(2,391)</u>
RESTRICTED FIXED ASSET FUNDS					
Inherited fixed assets	5,760	-	(264)	-	5,496
DFE/EFA capital grants	1,690	299	(31)	-	1,958
Capital expenditure from GAG	1,374	-	(111)	768	2,031
Other benefactors	143	20	(6)	-	157
*School Fund	546	-	(12)	102	636
	<u>9,513</u>	<u>319</u>	<u>(424)</u>	<u>870</u>	<u>10,278</u>
TOTAL FIXED ASSET FUNDS					
TOTAL RESTRICTED FUNDS	<u>8,105</u>	<u>7,100</u>	<u>(7,348)</u>	<u>30</u>	<u>7,887</u>
UNRESTRICTED FUNDS					
Unrestricted Funds	509	137	(108)	(360)	178
TOTAL UNRESTRICTED FUNDS	<u>509</u>	<u>137</u>	<u>(108)</u>	<u>(360)</u>	<u>178</u>
TOTAL FUNDS	<u>8,614</u>	<u>7,237</u>	<u>(7,456)</u>	<u>(330)</u>	<u>8,065</u>

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

General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to the academy via the Education Funding Agency by the Department for Education. The General Annual Grant Fund has been set up because the GAG must be used for the normal running costs of the academy. Pupil Premium grant funds are separately recorded.

Pension reserve represents the net deficit on the LGPS defined benefit pension scheme. The deficit arose because of the pension scheme deficit inherited on conversion and future GAG funding agreed by the EFSA is expected to be sufficient to take the fund back into surplus.

Aylesbury High School

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2019

17 FUNDS (Continued)

Other grants represents other material restricted incoming resources for the following specific purposes:

Other DfE/EFSA grants : other DfE/EFSA non-capital grants not covered by the general funding statement.

Other government grants : grants from local authority and other government departments for specific purposes.

Other income :

- Examination fee income. Students who decide to re-take examinations or have papers remarked are required to pay the entrance fees for those examinations.
- School trip and extra-curricular activity which is primarily funded by parental contribution and is essentially non-profit; any minor surplus from one year can be offset against unavoidable losses in future years.
- Donations from the parents' association, the "AHSA", received towards the cost of educational equipment and any other non-capital gifts to the school.

Teaching School represents any carried forward DfE grant for Teaching School plus any surpluses generated from its operations.

School Fund represents Aylesbury High School, School Fund, a separate registered charity in England and Wales, which the School leadership controls by being its trustees. This fund represents the consolidated results for this charity. Parental donations for enhancing the school and the education of its pupils are accounted for within the School Fund line.

Inherited fixed assets recognises the tangible assets gifted to the academy upon conversion by the local authority, which represent the school site inherited from the local authority including the freehold land and buildings and all material items of plant and machinery included therein and also of subsequent fixed asset expenditure. Depreciation charged on those inherited assets is allocated to the fund.

DfE/ESFA capital grants represent capital grants received towards the cost of new building works from the Department for Education and includes Devolved Formula Capital Grant. Depreciation charged on these assets is allocated to the fund.

Capital Expenditure from GAG recognises the tangible assets built by the academy since conversion using GAG funding. Depreciation charged on these assets is allocated to the fund.

Other benefactors recognise the tangible assets built by the academy using donations and other funds received for this purpose. Depreciation charged on these assets is allocated to the fund.

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

Aylesbury High School

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2019

17 FUNDS (Continued)

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

	2017			Gains, Losses and Transfers	Year Ended 2018 Total (£000s)
	Brought forward (£000s)	Incoming resources (£000s)	Outgoing resources (£000s)	(£000s)	
RESTRICTED GENERAL FUNDS					
General Annual Grant (GAG)	356	5,557	(5,353)	(267)	293
Pupil premium	58	58	(58)	(58)	-
Pension reserve	(2,350)	-	(242)	479	(2,113)
Other grants	502	489	(482)	(482)	27
Teaching School	157	196	(117)	(118)	118
*School Fund	300	80	(64)	(49)	267
	<u>(977)</u>	<u>6,380</u>	<u>(6,316)</u>	<u>(495)</u>	<u>(1,408)</u>
RESTRICTED FIXED ASSET FUNDS					
Inherited fixed assets	261	6,021	(261)	(261)	5,760
DFE/EFA capital grants	1,153	593	(28)	(28)	1,690
Capital expenditure from GAG	-	1,160	(73)	287	1,374
Other benefactors	93	4	(9)	55	143
*School Fund	-	512	(15)	49	546
	<u>1,507</u>	<u>8,290</u>	<u>(386)</u>	<u>102</u>	<u>9,513</u>
TOTAL FIXED ASSET FUNDS					
TOTAL RESTRICTED FUNDS	<u>530</u>	<u>14,670</u>	<u>(6,702)</u>	<u>(393)</u>	<u>8,105</u>
UNRESTRICTED FUNDS					
Unrestricted Funds	448	310	(174)	(75)	509
TOTAL UNRESTRICTED FUNDS	<u>448</u>	<u>310</u>	<u>(174)</u>	<u>(75)</u>	<u>509</u>
TOTAL FUNDS	<u>978</u>	<u>14,980</u>	<u>(6,876)</u>	<u>(468)</u>	<u>8,614</u>

Aylesbury High School

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2019

17 FUNDS (Continued)

A Current 12 months and prior 12 months combined position is as follows:

	2017			Gains, Losses and Transfers	Year Ended 2019 Total
	Brought forward (£000s)	Incoming resources (£000s)	Outgoing resources (£000s)	(£000s)	(£000s)
RESTRICTED GENERAL FUNDS					
General Annual Grant (GAG)	356	11,588	(11,293)	(651)	-
Pupil premium	58	114	(114)	(58)	-
Pension reserve	(2,350)	-	(489)	148	(2,691)
Other grants	502	1,028	(1,004)	(482)	44
Teaching School	157	266	(228)	(118)	77
*School Fund	300	165	(112)	(174)	179
	<u>(977)</u>	<u>13,161</u>	<u>(13,240)</u>	<u>(1,335)</u>	<u>(2,391)</u>
RESTRICTED FIXED ASSET FUNDS					
Inherited fixed assets	261	6,021	(525)	(261)	5,496
DFE/EFA capital grants	1,153	892	(59)	(28)	1,958
Capital expenditure from GAG	-	1,160	(184)	1,055	2,031
Other benefactors	93	24	(15)	55	157
*School Fund	-	512	(27)	151	636
TOTAL FIXED ASSET FUNDS	<u>1,507</u>	<u>8,609</u>	<u>(810)</u>	<u>972</u>	<u>10,278</u>
TOTAL RESTRICTED FUNDS	<u>530</u>	<u>21,770</u>	<u>(14,050)</u>	<u>(363)</u>	<u>7,887</u>
UNRESTRICTED FUNDS					
Unrestricted Funds	448	447	(282)	(435)	178
TOTAL UNRESTRICTED FUNDS	<u>448</u>	<u>447</u>	<u>(282)</u>	<u>(435)</u>	<u>178</u>
TOTAL FUNDS	<u>978</u>	<u>22,217</u>	<u>(14,332)</u>	<u>(798)</u>	<u>8,065</u>

Aylesbury High School

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2019

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds (£000s)	Restricted Funds (£000s)	Restricted Fixed Asset Funds (£000s)	2019 Total (£000s)	2018 Total (£000s)
Intangible fixed assets	-	-	10,278	10,278	9,514
Tangible fixed assets	-	-	-	-	-
Current assets	509	831	-	1,340	1,786
Current liabilities	-	(839)	-	(839)	(556)
Long term liabilities	-	(23)	-	(23)	(16)
Pension scheme liability	-	(2,691)	-	(2,691)	(2,113)
	<u>509</u>	<u>(2,722)</u>	<u>10,278</u>	<u>8,065</u>	<u>8,615</u>

19 CAPITAL COMMITMENTS

	2019 Total (£000s)	2018 Total (£000s)
Contracted for, but not provided in the financial statements	<u>130</u>	<u>338</u>

20 FINANCIAL COMMITMENTS

At 31 August the Academy Trust had annual commitments under non-cancellable operating leases as

	2019 Total (£000s)	2018 Total (£000s)
Operating leases		
Expiring within one year	7	14
Expiring within two to five years	-	7
	<u>7</u>	<u>21</u>

21 RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2019 Total (£000s)	2018 Total (£000s)
Net income/(expenditure) as per the SOFA	(219)	411
<i>Adjusted for:</i>		
Depreciation (Note 11)	424	386
Capital grants from DFE and other capital income (Note 1)	(319)	(597)
Interest receivable (Note 4)	(6)	(2)
Defined pension scheme cost less contributions payable (Note 25)	194	183
Defined pension scheme finance cost (Note 25)	53	59
(Increase)/decrease in stocks	9	(5)
(Increase)/decrease in debtors	125	(172)
Increase/(decrease) in creditors	290	110
NET CASH INFLOW FROM OPERATING ACTIVITIES	<u>551</u>	<u>373</u>

Aylesbury High School

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2019

22 CASH FLOWS FROM FINANCING ACTIVITIES

	2019 Total (£000s)	2018 Total (£000s)
Dividends, interest and rents from investments	6	2
Purchase of tangible fixed assets	(1,188)	(959)
Capital grants from DFE/EFA	299	593
Capital funding received from others	20	4
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	<u>(863)</u>	<u>(360)</u>

23 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2019 Total (£000s)	2018 Total (£000s)
Cash in hand and at bank	<u>1,079</u>	<u>1,391</u>
	<u>1,079</u>	<u>1,391</u>

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

Aylesbury High School

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2019

25 PENSION AND SIMILAR OBLIGATIONS

The academy'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 Buckinghamshire County Council. Both are 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 of the LGPS 31 March 2018.

At 31 August 2019 there were outstanding pension contributions of £83,256 (2018: £82,543) and these are included in creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pensions Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £470,412 (2018: £446,172).

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

Aylesbury High School

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2019

25 PENSION AND SIMILAR OBLIGATIONS (Continued)

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £258,361 (2018: £249,000).

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

An allowance has been made for the recent Court of Appeal judgement in relation to the McCloud & Sergeant cases which relate to age discrimination within the Judicial & Fire Pension schemes respectively. On 27 June 2019 the Supreme Court denied the Government's request for an appeal, and on 15 July 2019 the Government released a statement to confirm that it expects to have to amend all public service schemes, including the LGPS.

The estimated impact on the total liabilities at 31 August 2019 has been allowed for as a past service cost and has resulted in a slight increase in the defined benefit obligation as at 31 August 2019. The projected service cost has also increased as a result of this additional allowance.

Principal actuarial assumptions

	2019	2018
	%	%
Rate of increase in salaries	3.70	3.80
Rate of increase for pensions in payment	2.20	2.30
Discount rate	1.85	2.65
Inflation (CPI)	2.20	2.30
Commutation of pensions to lump sums	50.00	50.00
The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement at 65 are:		
	2019	2018
	%	%
Retiring today:		
Males	22.90	24.00
Females	24.80	26.10
Retiring in 20 years:		
Males	24.60	26.30
Females	26.70	28.50

Aylesbury High School

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2019

25 PENSION AND SIMILAR OBLIGATIONS (Continued)

	Fair value at:	
	31 August 2019 (£000s)	31 August 2018 (£000s)
The Academy Trust's share of the assets and liabilities in the scheme and the expected rates of return were:		
Equities	1,578	1,302
Gilts	344	293
Bonds	418	304
Property	200	182
Cash	94	148
Other assets	303	251
TOTAL MARKET VALUE OF ASSETS	2,937	2,480
The actual return on scheme assets was:	226	77
	2019 (£000s)	2018 (£000s)
Amounts recognised in the statement of financial activities		
Current service cost (net of employer contributions)	(140)	(181)
Past service cost	(52)	-
Interest income	69	60
Interest cost	(122)	(119)
Benefit changes, gain/(loss) on curtailment and settlement		
Admin expenses	(2)	(11)
Total amount recognised in SOFA	(247)	(251)
Movements in the present value of defined benefit obligations were as follows:	2019 (£000s)	2018 (£000s)
At 1 September 2018	4,593	4,567
Current service cost	335	377
Interest cost	122	119
Change in financial assumptions	776	(462)
Change in demographic assumptions	(288)	-
Benefits paid	(28)	(61)
Past service cost	52	-
Employee contributions	66	53
At 31 August 2019	5,628	4,593
Movements in the fair value of Academy Trusts share of scheme assets:	2019 (£000s)	2018 (£000s)
At 1 September 2018	2,480	2,217
Interest income	69	60
Return on assets less interest	157	17
Administration expenses	(2)	(2)
Employer contributions	195	196
Employee contributions	66	53
Estimated benefits paid	(28)	(61)
At 31 August 2019	2,937	2,480

Aylesbury High School

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2019

26 AGENCY ARRANGEMENTS

The Academy Trust administers the disbursement of the new discretionary support for learners, 16-19 Bursary Funds, on behalf of the EFA. In the year it brought forward £3,760 from the previous period, received £16,305 and disbursed £14,450 (including costs). Therefore, an amount of £4,800 repayable by the Academy Trust at 31 August 2018 is included in other creditors. The Academy Trust retained a beneficial interest in individual transactions such that £815 has been recognised in the income and expenditure in the Statement of Financial Activities.

27 RELATED PARTIES

Owing to the nature of the Academy Trust's operations and the composition of the board of governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of governors may have 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. Related Party transactions to be disclosed are:

The Bucks Grammar Schools: The Headteacher, along with the other Buckinghamshire grammar school headteachers, is a non-salaried director of a not-for profit trust entitled "The Bucks Grammar Schools" which was set up to manage joint commissioning of admissions testing systems for the member schools. During the year the school paid £25k to the trust for admissions tests.

Aylesbury High School

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

In accordance with the terms of our engagement letter and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Aylesbury High School during the year 1 September 2017 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The Accounting Officer is responsible, under the requirements of Aylesbury High School's funding agreement with the Secretary of State for Education dated 1 November 2015, and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2017 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2017 to 2019 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Review and verification of evidence supporting the Accounting Officer's statement on regularity, propriety and compliance.
- Review of the Academy Trust's internal control procedures, specifically in respect to regularity, propriety and compliance.
- Focussed testing, driven by our audit of the financial statements, principally checking that:
 - Grant income received has been expensed on prescribed expenditure; and
 - Expenditure has been appropriately authorised in accordance with the procedures outlined in the Academy Trust's financial procedures manual.
- Discussions and written representations from the Accounting Officer and other key management personnel (where applicable).

Aylesbury High School

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

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2017 to 31 August 2019 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Landau Baker Limited

Reporting Accountant
Landau Baker Limited
Chartered Accountants
Statutory Auditors
Mountcliff House
154 Brent Street
London
NW4 2DR

Date: 26 November 2019

