

Guildford Education Partnership

**Annual Report
31 August 2019**



Company Limited by Guarantee
Registration Number: 07649091
(England & Wales)

GUILDFORD EDUCATION PARTNERSHIP

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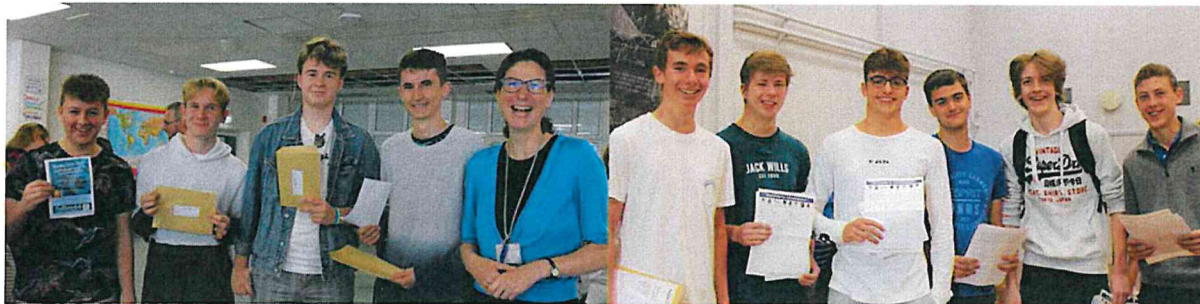
GUILDFORD EDUCATION PARTNERSHIP

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr C Griffin Mr G Hicks Mrs V Johnson Baroness M Sharp Dr G Wyss
Trustees	Dr J Cox Mr C Holyoak Mrs S Millin (until 12.1.19) Mr S Offord (until 7.12.18) Prof J Powell Mr F Roche (Chair) Mrs A Turner (from 7.2.19) Ms C Wijnja (from 20.3.19) Ms L Wilding (from 7.2.19) Dr G Wyss (Vice-Chair) Mr J Yeomans (from 7.2.19)
Executive Team	Mr C Tweedale, Chief Executive Officer & Accounting Officer (from 1.9.18) Mr A Roach, Director of Education Mrs A Larcombe-Fish, Chief Operating Officer & CFO
School Leadership	<u>Primary</u> Boxgrove Primary School Mrs A Fitch, Co-Headteacher Mrs R Stacey, Co-Headteacher Guildford Grove Primary School Miss R Mackie, Headteacher (maternity 1.9.19) Miss L Ryder, Acting Headteacher (from 1.9.19) Loseley Fields Primary School Mrs J Pearce-Haydon, Headteacher (until 30.09.18) Mrs A Pedder, Headteacher (from 1.10.18) Sandfield Primary School Mr J Kirkham, Headteacher (until 24.2.19) Mrs K Collins, Headteacher (from 25.2.19) <u>Secondary</u> Fullbrook School Mrs K Moore, Principal George Abbot School Mrs K Carriett, Principal Kings College, Guildford Mr A McKenzie, Principal George Abbot Teaching School Mrs K Carriett, Principal; CEO George Abbot SCITT Mr C Tweedale, CEO (from 1.9.18)
Operational Managers	Mrs J Coles, GEP HR Manager Mr G Lelliott, GEP Head of Governance & Clerk to Board of Trustees (from 25.2.19) Mr B Sayers, GEP IT Manager Mrs L Wilde, GEP Financial Controller (from 4.10.19) Mr R Wiseman, GEP Estates Manager Mrs C Woods, GEP Bursar (until 30.11.19)
Registered Office	c/o George Abbot School, Woodruff Avenue, Guildford, Surrey GU1 1XX
Company Registration	Guildford Education Partnership – 07649091
Independent Auditor	BDO LLP, 55 Baker Street, London W1U 7EU
Bankers	HSBC, PO Box 160, 12a North Street, Guildford, Surrey GU1 4AF
Solicitors	Browne Jacobson LLP, Mowbray House, Castle Meadow Road, Nottingham NG2 1BJ

Striving for Excellence

Our academies strive for excellence in all that we do.



Ensuring that all our academies strive for excellence is fundamental to who we are and what we do. We are proud of our achievements and constantly work hard to go further for all the pupils in our multi-academy trust, 'GEP Academies'.

Academically, 2018-19 was an encouraging year for us.

In primary education, progress scores for Guildford Grove Primary School were particularly strong across the board. Performance was strong at Loseley Fields Primary School in Early Years and improvements were seen both at Sandfield and Boxgrove Primary Schools, particularly in Maths.

At GCSE, our three secondaries performed well, with particular strength in Biology and Drama at Fullbrook, History and Music at George Abbot and English and RE at Kings College, Guildford. We were also delighted that a number of our students secured the top Grade 9 in multiple subjects, numbering them in the very top performers across the country. In terms of progress, Kings College also showed a huge improvement, with students performing half a grade better overall than in 2018.

In post-16 education (Key Stage 5), we also achieved some excellent results. George Abbot saw a total of 75 A* grades at A Level, with more than one in three grades awarded at A* or A, 84% at A* - C. 72% of Fullbrook students secured A* - C, and the school also celebrated an overall 99% pass rate. An impressive 42% of students achieved A* or A in Maths or Further Maths.



The year also saw us perform well in OfSTED inspections. The George Abbot School Centres Initial Teacher training (SCITT) was awarded an 'outstanding' judgement in all areas. Kings College, Guildford secured a 'good' OfSTED judgement, as did Guildford Grove. Meanwhile Loseley Fields saw marked improvement, with OfSTED recognising that Leadership and Management is 'good', resulting in a rapid pace of change.

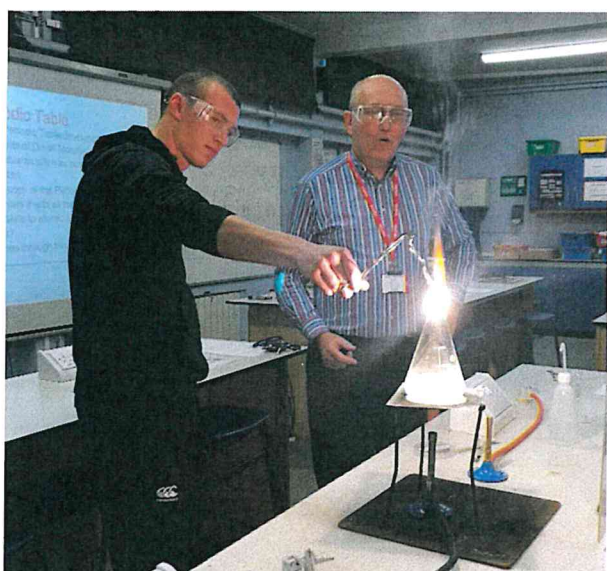
We were also very proud to be recognised in national awards. Kings College, Guildford celebrated teacher Ed Le Brun winning a Silver Award in the Pearson National Teaching Awards in the Secondary School Teacher of the Year Award category. Additionally, Kings College, Guildford won the 2019 NEON School/College Widening Access Award, and the NEON Widening Access Partnership Award for their work with the University of Surrey on the Finding our Futures programme.

Collaborative Approach

Our strength comes from our collaborative approach. We use our deep knowledge and expertise to support and challenge each other.

Early January saw us bring together all staff from across the GEP family together for the first time, for a day of Continuing Professional Development (CPD), including setting out GEP Academies' strategy for the new term.

As a partnership, we are able to have inter-school staffing arrangements in place, lending expertise for targeted development. We have a cross-trust approach to safeguarding, drawing on best practice from across our schools, and work together on moderation and peer reviews in areas such as Special Educational Needs and Disability (SEND) and teaching and learning.



Subject knowledge is a significant focus for us. The George Abbot Teaching School is a regional lead for Teacher Subject Specialism Training (TSST), across the south region of England, developing pedagogy in Maths, Physics and Modern Foreign Languages. Our Teaching School also coordinates and manages the Science Learning Partnership, providing subject specific continuous professional development for over 60 primary and secondary schools. Our Science Team at Boxgrove Primary School run a collaborative network of 15 Science subject leads across Surrey. There is school-to-school support for Mastery in Maths to ensure that expertise is shared. We were also delighted to host a delegation of Chinese Teachers, arranged as part of an exchange organised by the Department for Education to deepen understanding and practice of Maths Mastery.

At Loseley Primary, the year saw us working with the Primary Science Teaching Trust and Surrey Wildlife Trust to help develop our outdoor education curriculum and new Science, Technology Engineering and Maths (STEM) classroom, and to explore opportunities for future revenue development.

Sport is also an important part of life at GEP Academies, where sporting achievement is celebrated alongside academic prowess. With additional funding from Guildford Borough Council and the Football Foundation, we have developed a 3G pitch for the community, based at Kings College, Guildford. We have a range of partnerships in place, including for example, Surrey Cricket Centre based at George Abbot.

Brave Innovators

We are brave innovators who know there is more than one way to provide an excellent education, inside and outside the classroom.

Innovation is important to us – not as an end in itself, but because it helps us identify and seed new ways of doing things that enable our students to fly. We have a strong culture of research and have established professional learning groups to develop this.

New approaches this year include introducing 100-minute lessons at Kings College, Guildford to allow for deeper learning, whole-class feedback which is helping keep teacher focus on driving progress for all, and we have played an active part in the Department for Education's workload reduction project.

At Fullbrook, students are experiencing university-style teaching with lectures instead of traditional classroom lessons, helping them prepare for that important next step into higher education.

Ensuring that our students have their eyes opened to the range of opportunities open to them when they leave us is a priority, and so we have developed a significant programme of innovative careers events at George Abbot, where pupils hear from industry professionals on broad career options from psychology in the NHS to engineering at Balfour Beatty.



Outside learning is playing an important role in our primaries, particularly at Boxgrove and Sandfield Primary Schools, where every child has access to our Forest School, led by our two Forest School leaders. At Sandfield, we have developed a Learning Lab built to provide outside classroom supported learning across the curriculum: Science, Art, Music and Home Economics. Similarly, at Loseley Fields Primary School, we have developed a Field Study Centre with outdoor learning and environmental science at the heart of our curriculum offer, whilst also offering our 'Flourish' nurture groups as a way to support pupils' social and emotional development.

We have also piloted new approaches, such as optional homework at Boxgrove Primary School, which has resulted in a 100% completion rate, and Facebook Live parent workshops at Sandfield Primary School, exploring new and innovative ways to engage with our parents.

Our schools are also at the cutting edge when it comes to flexible working, and we aim to model this from the top-down. At Boxgrove Primary School, our Co-Heads have demonstrated that job shares can not only work, but bring even more to a role, drawing on the skills and experience of *two* leaders and bringing added depth and breadth to this important role. We were delighted that the Department for Education used Boxgrove as a case study for flexible working, reflecting the success of their arrangement. At Fullbrook we offer long-term sick staff an option to teach by Skype if they are unable to physically come into school.

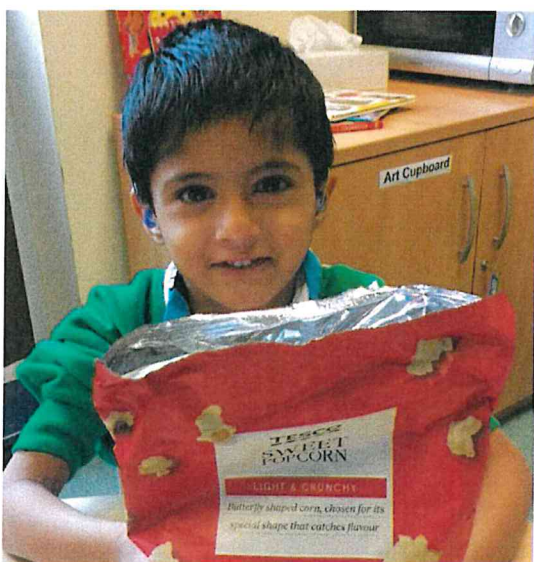
We also seek to grow our own talent, and many of our teachers have progressed to leadership roles in GEP's schools across the trust.

Diverse & Inclusive Family

We are a local and diverse family that respects and includes everyone.

The student body from across the GEP family is very diverse: there are multiple first languages, and it includes children and young people from worldwide backgrounds ranging from America and Ukraine through to Iraq and Turkey. Our staff body are equally diverse. We celebrate cultures across the GEP family and pride ourselves on being respectful to everyone.

We work hard to ensure that our SEND offer meets the needs of the children who are part of the GEP family, and we have a team of SEND leaders who have been working together to refine our offer, both in mainstream and at our specialist centre.



Our approach is very much driven by the premise that every teacher is a teacher of special needs, and we are particularly proud of our 15-place specialist centre for children with profound hearing loss at Guildford Grove. Here, everyone (including mainstream pupils and staff) use some sign language. With four specialist SEN centres across our trust - covering learning difficulties, visual impairment, deafness and disability - we offer an inclusive education to our pupils.

Community engagement is also part of life at GEP Academies. At Boxgrove Primary School, for example, as well as Café B (our school community café providing a place for people to meet and congregate), we host an annual community tea party for senior citizens to help build respect for and understanding of the elderly amongst our pupils. Guildford Grove Primary School offers a family breakfast club every school day of the year.

Unique Partnerships

We benefit from a unique set of relationships, with the University of Surrey and the Royal Grammar School. These partnerships mean we can offer a range of opportunities to our pupils that otherwise would not be available to them.

We pride ourselves on the quality of our relationships with the University of Surrey and with the Royal Grammar School. A whole range of opportunities stem from these partnerships, and they have gone from strength to strength.

Through our relationship with the University of Surrey, our students benefit from more higher education opportunities than any other school in Surrey, and in the Summer Term, we announced an innovative new partnership with the university, with our joint application for a new Maths Free School being approved by the Department for Education.

Maths schools support talented young people to reach their potential by tapping into the expertise of top universities – and Ofsted has found that they excel in recruiting students from disadvantaged backgrounds to fulfil their potential ... I'm confident that this exciting partnership between the University of Surrey and Guildford Education Partnership will build on those successes and boost the prospects of talented mathematicians in the region.

Lord Agnew, Minister for Schools.

We are thrilled with this opportunity to generate excitement and enthusiasm amongst the next generation of outstanding STEM students across Surrey. The significant schools' expertise of GEP Academies and our own excellence in STEM subjects in higher education means we can look forward to equipping talented students with the knowledge and skills to build influential and rewarding STEM careers.

Professor Max Lu, Vice Chancellor at the University of Surrey.

Beyond this, we work closely with the university on a range of programmes. We aim to make opportunities available for all age groups, and in some of our schools every student has taken part in activities with the university.

Our relationship with the Royal Grammar School continues to flourish and ensures our most able students are pushed and challenged, particularly in STEM subjects. Key Stage 3 students benefit from 'Super Maths' with the Royal Grammar School, whilst Key Stage 4 have focused on physics through this partnership.

At primary level, our children benefit too – Saturday morning masterclasses have been held in a range of subjects from Maths and Science through to Creative Arts and Modern Languages. All our primary schools have benefited musically, from either Samba workshops or the String Scheme (where 90 Year 3s and 4s learnt a stringed instrument at Boxgrove Primary School and 30 Year 3s learnt at Sandfield Primary School).



1 INTRODUCTION

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

Guildford Education Partnership (hereinafter referred to as "GEP Academies" or "the trust"), is a multi-academy trust, comprising a cross-phase family of schools. Founded in 2013 by George Abbot School and Boxgrove Primary School, the trust now operates seven academy schools for pupils aged 3 to 18 in Guildford, Godalming and West Byfleet and had a combined pupil roll of 5,214 in the schools' census in October 2019.

Our shared aim is continuous school improvement through challenge, collaboration and support. To achieve our aims, we are working in close partnership with the University of Surrey and the Royal Grammar School, Guildford.

2 STRUCTURE, GOVERNANCE AND MANAGEMENT

2.1 Constitution

Guildford Education Partnership, trading as GEP Academies (the trust), is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the trust. The trustees of GEP Academies are also the directors of the charitable company for the purposes of company law.

Details of the trustees who served throughout the year, except as otherwise noted, are included in the Reference and Administrative Details in the first section of this annual report.

2.2 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.

2.3 Trustees professional indemnity insurance

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

2.4 Method of recruitment, appointment and election of trustees

The members may appoint up to five trustees to the Board, which shall include one person nominated by each of the founding schools, George Abbot School and Boxgrove Primary School. The remaining trustees are co-opted by the Board.

Trustees complete a proforma outline of their skills, experience and interests to enable regular reviews of the mix of skills that should be available to the Board. New trustees are recruited to fill any gaps in the portfolio of skills available to the Board, either as additional trustees, or replacements when existing trustees stand down.

Members of the Board include educational representatives from the independent sector (Royal Grammar School, Guildford) and the higher education sector, as well as broader business-skilled members. During the year four appointments were made to further strengthen the skills-based board.

2.5 Policies and procedures adopted for the induction and training of trustees

New trustees are provided with an induction pack containing key documentation and are invited to meet with the Chief Executive Officer (hereinafter referred to as the "CEO") and the Chair of the GEP Academies Board. The induction process includes meetings with the CEO, other members of the Board and executive team as appropriate and visits to some of our schools. All information relevant to trustees is available on a dedicated governance intranet where they can access all agendas, previous minutes, related papers and the GEP Academies calendar. Individual trustees may attend training courses and conferences organised by appropriate bodies in order to ensure that their knowledge and understanding is fully up-to-date and are welcome to attend all committee meetings as observers in order to gain a deeper understanding of the organisation.

2.6 Organisational structure

The Board of Trustees (along with its subcommittees covering education, resources and audit), governs the activities of the trust and oversees the work of the GEP Local Academy Committees (hereinafter referred to as the "GLACs"). The Board of Trustees is also ultimately responsible for the strategic direction of the trust and its overarching policies. Each GLAC governs the work and outcomes of its assigned academy, as outlined in the Scheme of Delegation.

The senior managers of the trust are the CEO, director of education and chief operating officer. They lead and manage the trust, setting strategy and implementing policy in conjunction with the Board. Headteachers and principals lead and manage the individual schools.

In 2017-18, we successfully ran a recruitment process for a chief executive officer, to address changes necessary for a growing organisation.

2.7 Arrangements for setting pay and remuneration of key management personnel

Performance management/appraisal procedures follow a timeline throughout the year for the CEO, executive team and headteachers. Performance is assessed against targets set for the school year. A pay review is undertaken as part of the performance management annual review. The Chairman of the Board has undertaken the CEO's performance management/target setting review. Agreed targets and, if appropriate, any recommendation for a review of pay is submitted to the full Board of Trustees for final approval. The CEO undertakes the review for all executive team members and the performance management and target setting of headteachers together with the Chair of each GLAC.

2.8 Trade union facility time

As an employer of over 49 full-time equivalent employees, in accordance with the Trade Union (Facility Time Publication Requirements) Regulations 2017, the trust advises that there were four employees who were relevant union officials during the relevant period, equating to 3.88 full-time equivalent employees. Three of these officials spent between 1-50% of their time on facility time (time off from their job to enable the representative to carry out their Trade Union role), costing £5,852 (2017: £2,480); the fourth spent 0% of their time on facility time. This represents 0.02% of the total pay bill for this period (2017: 0.01%). Additionally, these relevant union officials spent 85% of their paid facility time on paid trade union activities.

2.9 Related parties and other connected charities and organisations

No trustee receives any remuneration in respect of their services during the year, nor for any other work undertaken on behalf of the trust. The CEO is not a director of the trust.

Fullbrook Sports Centre Limited (Company No: 07834828, incorporated in England and Wales), is a private company limited by shares and a 100% subsidiary undertaking of the trust. The Board of Directors of Fullbrook Sports Centre Limited comprises three of Fullbrook School's governors. The subsidiary operates Fullbrook's sports facilities on a commercial basis with a view to generating a profit from which Gift Aid donations can be made to the school.

Schools within the trust work with the Guildford Schools' Confederation (which closed at the 2019 year-end) and the Guildford 11-19 Partnership for which GEP Academies provides a financial service.

The trust is connected to Sandfield School Fund (Charity No: 1106381) by virtue of GEP Academies employees deployed to Sandfield Primary School (the headteacher and the data and finance officer), holding positions for this charity. The charity is used to raise funds for the benefit of the students in the school community.

The trust is an academy sponsor of Sandfield Primary School and Kings College Guildford, both of which have been supported from a governance, educational and operational perspective since conversion to GEP Academies in 2014 and have now achieved 'good' OfSTED judgements.

2.10 Responsible employer - employee consultation and disabled employees

As an employer of over 500 professionals, we value the contribution of our staff at GEP Academies.

We have systems and processes in place that enable us to consult and inform employees on matters affecting them. Where appropriate, for example in regard to employment policies, the trust and/or individual schools consult employees on policy changes. GEP Academies' staff are informed of major changes to the trust through a communications strategy, which involves a staff newsletter, an annual employee survey and an annual GEP in-service training (INSET) day.

The policy of the trust is to support the employment of disabled persons both in recruitment and by retention of employees who become disabled whilst in the employment of the trust, as well as generally through training and career development.

3 OBJECTIVES AND ACTIVITIES

3.1 Objects and aims

Charitable objectives

GEP Academies' primary charitable objectives are to seek:

- To advance for the public benefit, education in the United Kingdom, in particular, but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools (the mainstream academies), offering a broad and balanced curriculum; and
- To promote for the benefit of the inhabitants of the areas served by the academies the provision of facilities for recreation or other leisure time occupation for individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances, or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

Vision

We bring together a group of schools where we take joint responsibility for all the pupils in all our communities. We are using our expertise, our passion, our education partnerships and our resources to deliver the very best for every individual.

By uniting the talent and the energy of a diverse group of people, we can achieve something of significant and lasting benefit for all our pupils.

Aims

To do this we will:

- Promote excellence, personal achievement and the realisation of each and every pupil's potential, irrespective of their gender, race, ability or background.
- Ensure that pupils' learning, both academic and social, are at the centre of everything we do.
- Structure ourselves to deliver the maximum possible resource to impact positively on pupils' learning; leading, over time, to all our schools becoming outstanding.

Mission

We seek to be a network of schools where every pupil receives the best possible education. To deliver our aims we design our organisation to:

- Relentlessly focus on pupils' learning.
- Maximise the communication, teamwork and problem-solving skills of our pupils.
- Put the work of teachers and teaching at the heart of all we do.
- Underpin our approach with the latest educational research.
- Put a high value on developing the subject knowledge of our pupils and teachers.
- Provide multiple pathways for success for staff and pupils.
- Provide time, world class professional development opportunities and supportive challenge to staff.
- Utilise links with the independent sector, especially by working closely with the Royal Grammar School Guildford, industry, further education and the University of Surrey to enhance the aspirations and social and professional networks of our pupils and staff.
- Expect the very best from our community of pupils, staff and parents.

Ethos

GEP Academies believe that all schools are more effective when they work in partnership than when they stand alone. We value and embrace each school's uniqueness and the community it serves, while seeking to learn from and share with each other so that we spread excellence effectively.

Our parents and staff expect us to produce, through an inclusive approach:

- Kind, tolerant learners with aspiration, resilience and a life-long passion for learning.
- Excellent academic achievement for all.
- Learners with the communication, teamwork and problem-solving skills for life.

3.2 Objectives, strategies and activities

Key objectives for the year are outlined below:

GEP 2018-19	OBJECTIVE	STRATEGY	ACTIVITIES
Pupil Achievement	Improve progress and educational outcomes of all pupils and especially disadvantaged pupils, particularly at secondary level.	Ensure detailed understanding of the performance of each school and to develop systems to support this understanding.	Conducted trust-wide reviews, focussing on disadvantaged pupils, post-16 provision and safeguarding. Further developed trust-wide data tracking tool. Developed a collaborative school improvement strategy working in partnership with Athena Schools Trust, commencing September 2019.
		Action plans for all schools.	Deployed trust-wide and external resources. Provided focused financial support.
Governance	Improve effectiveness of governance.	Work more closely with GLAC. Employ a Head of Governance to lead on this work.	Strategic direction further developed with trustees and GLAC Chairs. Head of Governance appointed.
		Develop improved trustee information systems.	Improved educational and financial reporting to trustees. Rolled out governance system, monthly management accounts and further developed a real-time data dashboard tool.
Kings College Guildford	Provide support for Kings College Guildford to improve financial position, grow numbers of pupils as well as improve pupil outcomes.	Build capacity to improve educational effectiveness and enhance reputation of the school.	Pupil outcomes are higher than they have ever been at Kings College Guildford, due to high quality leadership, teaching, learning and exemplary pupil behaviour. The reputation of the school is enhanced by communication of success (e.g. Teacher of the Year award) and local engagement.
		Dedicate trustee and executive resources to liaise with local authority and government stakeholders to improve the financial position of a school on low pupil numbers.	ESFA Pupil Number Adjustment revised payback. Local Authority, ministerial and government official engagement. Approval of a two-year Local Authority grant in recognition of falling rolls.
Operations	Generate savings whilst mitigating risks.	Harmonise processes across schools associated with risk, financial planning and control, estates management, HR, IT and all aspects of operational support.	Generated further savings through joint procurement. Implemented trust-wide finance suite, enabling real-time visibility of finances; improved budgeting and monitoring. Implemented strategic estates management condition and improvement projects. Consulted on HR policies, terms and conditions. Developed back-office services, with the set-up of a managed IT service and enhanced support in finance, estates and HR.

3.3 Public benefit

The trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties. The principal activity of GEP Academies is to offer an outstanding education to all the pupils in all its schools. The vision and values of GEP Academies underpins all that the trust does.

GUILDFORD EDUCATION PARTNERSHIP
TRUSTEES' REPORT (Continued)

4 STRATEGIC REPORT

4.1 Achievements and performance

Schools

By July 2018, all seven GEP Academies' schools were either categorised as OfSTED 'good' or 'outstanding', with further inspections carried out on three primary schools during this academic year. Both our sponsored academies have improved their OfSTED category since being under guidance of the trust.

GEP SCHOOL	CONVERSION DATE	CONVERSION CATEGORY	PAN ¹	OFSTED CATEGORY
PRIMARY				
Boxgrove Primary School	1.9.13	Converter	90	Good (2018)
Guildford Grove Primary School	1.11.16	Converter	60	Good (2018)
Loseley Fields Primary School	1.11.16	Converter	60 YR ² 26 Y3	Requires Improvement (2018)
Sandfield Primary School	1.9.14	Sponsored	30	Good (2017) Requires Improvement (2013, pre-conversion)
SECONDARY				
Fullbrook School	1.9.15 ³	Converter	240	Good (2017)
George Abbot School	1.9.13	Converter	300	Outstanding (2006) School
				Outstanding (2018) SCITT ⁴
Kings College Guildford	1.9.14	Sponsored	180	Good (2018) Requires Improvement (2012, pre-conversion)

¹ Published Admissions Number.

² The admissions arrangements for Loseley Fields Primary School were consulted on in 2018-19 and have been changed to enable it to become an all-through, two-form entry primary school. In September 2019 the school moved from one form of entry to two forms of entry in Reception, with no PAN for Year 3, to create a two-form entry all-through primary.

³ Fullbrook School joined GEP Academies on 1.9.15, having previously converted as a single academy trust on 1.9.11.

⁴ School Centred Initial Teacher Training provision.

The School Centred Initial Teacher Training provision received an 'outstanding' judgement in autumn 2018 (see page 16).

Boxgrove Primary School remained 'good', the report stating that "the leadership team has maintained the good quality of education in the school since the last inspection. During this time, you have driven improvement, firmly focusing on ensuring Boxgrove is a great place to learn, work and grow."

Whilst Loseley Fields Primary School was judged 'requires improvement', this primarily reflected the legacy of poor pupil performance data. Throughout the academic year we worked on supporting and strengthening the leadership of the school and capacity for future improvement, leading to 'good'

judgements in the following three categories: effectiveness of leadership and management; personal development, behaviour and welfare; early years provision.

Guildford Grove Primary School's December 2018 OfSTED report stated that "the school continues to be good". In addition, the inspector noted that "there is a sense of pride, with all staff sharing the vision and purpose of making the school the best it can be. Parents are highly positive, and this is reflected in the comment made by one parent, who wrote: 'This is a lovely school and I couldn't be happier'.". In addition, the report stated that "disadvantaged pupils as well as those with SEND are suitably challenged in school and make good progress" and that "teaching is consistently effective across the school allowing pupils to progress well in reading, writing and mathematics".

In December 2019 George Abbot received OfSTED. We await the inspection outcome.

Surrey Maths School

The University of Surrey and GEP Academies have been given approval to progress to the next stage of development for a new specialist Maths School in Guildford.

Delivering A Level education for 16-19-year olds with particular aptitude and promise in Maths, the Surrey Maths School (SuMS) will help increase the numbers of highly talented students applying to do STEM degrees at university. Recruitment will particularly target female students who are still underrepresented in Science, Technology, Engineering and Mathematics (STEM) subjects, as well as other groups who might otherwise not have had the support to win places on the most competitive and prestigious STEM courses at university.

Combining the University of Surrey's outstanding STEM expertise and GEP Academies' outstanding contribution to initial teacher training, SuMS will also play a leading role in supporting the development of maths teachers and teaching in local schools.

SuMS will also focus on widening participation in higher education, focusing on young people from disadvantaged backgrounds, bringing additional benefit to local schools and the community more generally.

Due to its highly specialist focus, SuMS will focus on recruiting a small number of outstanding post-16 pupils from a wide range of schools across Surrey and the surrounding area. This will complement and support existing STEM provision at sixth form level in Guildford and neighbouring areas.

With the go-ahead to proceed to the next stage of development, the University of Surrey and GEP Academies will be working in close partnership to progress plans, as SuMS moves towards opening.

Professional development - George Abbot School Centred Initial Teacher Training (SCITT)

Our SCITT, which offers primary and secondary teacher training to a partnership of over 50 schools, is directly governed by GEP Academies. Since 2001, George Abbot SCITT has trained 437 secondary teachers and since 2014 has trained 92 primary phase teachers. During 2018-19, the SCITT trained:

- 25 secondary trainees, including 2 'Researchers in Schools' and 4 part-time trainees
- 22 primary trainees
- 9 trainees on the 'Teach Independent' route

In addition, the SCITT supported 4 teachers through the 'assessment only' route.

In May 2018, the SCITT was subject to Part 1 of the ITT OfSTED Inspection, with Part 2 taking place in October 2018. The six-day inspection involved meetings with the SCITT leadership team; interviews with partnership headteachers and professional tutors; exploration of recruitment, retention and progress data for trainees; a range of school visits and lesson observations of trainee teachers to assess trainee readiness and progress as NQTs.

At the end of the two-part OfSTED inspection, the following judgements were made:

The outcomes for trainees	Outstanding
The quality of training across the partnership	Outstanding
The quality of leadership and management	Outstanding
Overall effectiveness	Outstanding

Professional development - George Abbot Teaching School

George Abbot School, one of the founding members of GEP Academies, is a designated Teaching School and a Newly Qualified Teacher (NQT) awarding body. Teaching schools continue to be an integral part of a school-led school improvement system, operating as centres of excellence, focusing on three priorities:

- (1) Co-ordinating and providing high-quality school-led initial teacher training (ITT).
- (2) Providing high-quality school-to-school support to spread excellent practice, particularly to schools that need it most.
- (3) Providing evidence-based continuing professional and leadership development (CPLD) for teachers and leaders across their network.

As a teaching school we have delivered the following DfE-funded projects, in addition to a wide range of bespoke CPLD activities delivered to GEP and local schools:

- Teacher Subject Specialist Training in Maths
- Teacher Subject Specialist Training in Physics
- Teacher Subject Specialist Training in Modern Foreign Languages (Spanish)
- 'Return to Teaching' programme supporting teachers of EBacc subjects back into the classroom
- 'Paid Internship' programme for undergraduates providing paid school experience.

In addition to this, George Abbot Teaching School successfully bid to become the Regional Lead School for Teacher Subject Specialist Training (TSST), in the South East and South London, supporting 26 lead schools in their delivery of TSST.

George Abbot Teaching School is one of six schools in the South East and South London area which are part of a Reducing Teacher Workload Toolkit project involving implementing one element of this toolkit with the specific aim to reduce teacher workload. This project will run until Spring 2020.

As a founding school of the Surrey Teaching Schools Network (STSN), the GEP director of education is Lead Facilitator for the National Professional Qualification for Senior Leaders (NPQSL). At a local level, STSN brokers DfE-funded school-to-school support across Surrey and the south.

Leadership development is crucial to GEP Academies' vision. Many of our employees have followed the SCITT and Teaching School programmes, evaluating very highly the professional development programme and offer. New Specialist Leaders in Education (SLEs) have been appointed and accredited by the Teaching School and will be deployed to support schools.

Educational partnership – Royal Grammar School

GEP Academies has further developed its close links with the Royal Grammar School, Guildford (hereinafter referred to as "RGS"), through the support brokered by RGS Headmaster and GEP Trustee, Dr J Cox and his assistant headteacher of partnerships. A broad range of activities and events, a sample of which is outlined below, celebrates these close links in order to support and enhance provision in all GEP schools:

- **Governance:** The headmaster of RGS is a GEP trustee, with the RGS bursar a member of Sandfield Primary School GLAC, the RGS HR manager a member of Loseley Fields Primary School GLAC and a teacher being a member of the Boxgrove Primary School GLAC.
- **Staff deployment:** The RGS head of Physics and other Physics staff provided weekly tuition for Kings College, Guildford pupils to cover the separate science content of the curriculum. Latin tuition was also provided to Boxgrove Primary School each week. RGS delivered French lessons at Sandfield Primary School from September 2018 to Y5&6. An RGS Maths teacher facilitated weekly coaching of Y9 Kings College, Guildford pupils by RGS Sixth Form students with problem solving maths skills. RGS teachers also provided 10 hours of Y11 GCSE revision sessions at Kings. Three RGS Science staff (Chemistry, Biology & Physics) also provided 20 hours of revision sessions for Fullbrook Y13 pupils. The head of Technology leads sessions to enable pupils from Sandfield, Boxgrove and Guildford Grove attend a 5-week Design Technology programme.

- **NFER 'Enquiring Teachers' Programme:** RGS colleagues, working alongside GEP teachers and colleagues from St John's Leatherhead, have participated in this NFER R&D programme and worked collaboratively on the leadership of this joint research initiative. RGS generously supported the publication of the Research Journal and hosted the celebration dinner. This was the fourth year of this collaborative project.
- **Staff links:** Links have been further developed between Kings College, Guildford and RGS staff for Maths, Science, and English. Fullbrook staff visited RGS to discuss university applications and in particular Oxbridge applications with the RGS director of studies. The RGS assistant head provided CPD training, sharing of experiences as an assistant chief examiner for the AQA A Level History Paper 1 with fellow GEP History teachers. The RGS Drama department support Fullbrook students with their 'New Views' competition entries, enabling Fullbrook to enter free of charge.
- **String Scheme:** The RGS String Scheme is well established and is delivered at Sandfield Primary School and at Boxgrove Primary School, supported by the Community Foundation for Surrey (CFS) through the Investec International Music Festival (IIMF). Sandfield Primary School pupils performed at GLive alongside Southern Pro Musica orchestra at their Family Concert and again at the end of year RGS concert. String Scheme pupils also attended a Nicola Benedetti Rehearsal. The String Scheme Continuers Orchestra 'Strictly strings' was launched. Additionally, the RGS also supported one-day Samba workshops, taking place at Guildford Grove, Loseley Fields and Sandfield Primary Schools.

Educational partnership - University of Surrey

In addition to the collaboration with the University of Surrey through the plans for the maths school, we continue to be very grateful for the support provided by the University of Surrey for GEP schools in a range of ways, including significant work undertaken through the Widening Participation department and the work undertaken with the considerable support of the widening participation co-ordinator.

Guildford Grove school enjoyed participation in two Healthy Heroes activities exploring health and nutrition and a session on the law and justice system through the Big Bad Pigs event. Pupils from Loseley Fields undertook a University Explorer event for Year 6 pupils following their SATs.

90 Year 12 pupils from Fullbrook School undertook enhanced coursework support. Nine 1- or 2-day events across all year groups at George Abbot supported the engagement of 227 pupils. At Kings College, Guildford 98% of pupils engaged in at least one aspiration focussed activity in a wide range of 59 activities across the school. 81% of pupils engaged in three or more aspirations focussed activities during the year.

Educational partnership – Athena Schools Trust

GEP Academies have taken the decision to combine their school improvement services with those of Athena Schools Trust to provide a more wide-ranging, improved and robust service to schools and school leaders for the academic years 2019-2021. The opportunities for enhanced professional dialogue, support capacity, expertise and school-to-school learning make this an exciting time to be part of both trusts. The twelve schools across our two trusts, and our additional associate member schools and organisations, all within South West Surrey, present the exciting prospect of developing and improving schools together. Investing in staff expertise and professional development, whilst also holding each other to account and delivering collectively for the children in our region, is the purpose of our collaboration.

TRUSTEES' REPORT (Continued)

4.2 Key performance indicators – educational

Effective collaboration and work between the headteachers and staff across all GEP schools remains a high priority. The trust works together in primary, secondary cross-phase groupings. January 2019 saw the first GEP trust-wide INSET day at GLive in Guildford, for all GEP staff to meet as one group. This GEP INSET day saw keynote speeches from Sir David Carter on MAT Collaboration and from Sir John Dunford on the effective use of pupil premium funding to support disadvantaged pupils.

Education Improvement work is undertaken by the following GEP team members who work for GEP in a range of capacities: CEO, director of education/director of George Abbot Teaching School, primary school improvement partners, headteacher/deputy network lead, GEP SEN lead, primary practice development leads and a secondary/Maths practice development lead.

Pupil attendance data

GEP SCHOOL	% ATTENDANCE Year ending July 2019
PRIMARY	
Boxgrove Primary School	97.0
Guildford Grove Primary School	95.2
Loseley Fields Primary School	95.5
Sandfield Primary School	96.4
SECONDARY	
Fullbrook School	95.85
George Abbot School	95.4
Kings College, Guildford	92.9

Source: Internal school data

The national average declined in 2017-18 to 95.8% for primary and 94.5% for secondary.

Primary school outcomes 2019

The national median progress is 0.

GEP PRIMARY SCHOOL	SCHOOL PROGRESS SCORES		
	Reading	Writing	Maths
Boxgrove Primary School	+0.25	-1.79	+0.47
Guildford Grove Primary School	-0.04	+0.32	+1.05
Loseley Fields Primary School	-0.9	-3.9	-2.6
Sandfield Primary School	+0.3	-0.7	-0.6

Source: Internal school data

Focus for the trust remains on ensuring that pupil progress is strong in all schools. Pupils with multiple vulnerabilities and needs, often linked to lower attendance, remains a high priority for our schools. In addition, areas of progress below the national median and variation in the performance between schools continues to be a high priority for the trust. Curriculum review and development is a significant priority for all schools under the new OfSTED inspection framework.

At Boxgrove School, the focus on Maths and the wider engagement with the local Maths Hub through the Maths Mastery Hub Specialist Leader has brought about improvements in Maths attainment from 78% achieving expected standards to 87% and a 7% improvement in pupils achieving greater depth up to 45%. Overall, the school achieved an improvement in most areas at KS2 compared to 2018 performance.

At Guildford Grove School, the school's on-going focus on improving KS2 writing brought about an increase in progress, with a progress score of +0.32. Maths progress continues to be a strength of the school.

TRUSTEES' REPORT (Continued)

Providing significant support in order to build leadership capacity at Loseley Fields School was a trust priority during the past year. School leadership has now been strengthened with a new headteacher and deputy headteacher in post. The school is in a strong position to be able to address school priorities. Performance in EYFS continues to be strong with a full cohort of 60 pupils on roll following the increase in PAN by 30 pupils. The SLT continues to prioritise standards and outcomes through their curriculum development work.

The former deputy headteacher at Boxgrove School was appointed as headteacher of Sandfield Primary School in April 2019. The school enjoyed an improvement in performance in KS2 maths with 86% of pupils achieving a good standard in maths compared to 80% in 2017/18 and an increase in pupils achieving a high standard from 23% to 45%.

Secondary school outcomes 2019

SCHOOL OUTCOMES	GEP SECONDARY SCHOOL		
	Fullbrook	George Abbot	Kings College
Progress 8 score	-0.06	+0.47	-0.15
Grade 5 above in English & Maths	59%	58%	29%
Entering EBacc	86%	47%	24%
Achieving EBacc Grade 5 and above	21%	25%	9%
A Level: Grades A*-A	21%	33%	N/A
A Level: Grades A*-B	45%	59%	
A Level: Grades A*-C	72%	84%	

Source: Internal school data.

At Fullbrook School, the number of students achieving grade 5 or above in both English and Maths increased. In addition, students taking GCSE Biology and Drama performed well, with 87% and 91% respectively achieving Grade 4 and above. The school continues to focus on improving outcomes for all students. Fullbrook Sixth Form saw 72% of students securing A* to C grades in an A Level qualification and achieved a 99% pass rate. Fullbrook specialises in Science, Maths and Technology and everyone who studied in these subject areas passed with excellent grades, with 42% of students achieving A* to A grades in Maths or Further Maths.

At Key Stage 4, progress at George Abbot School continues to rise in line with a four-year upward trend, with the school achieving a progress score of +0.47 compared to +0.43 in 2018. History and Music students performed well, with 55% and 67% respectively achieving Grade 7 and above. At Key Stage 5, George Abbot students gained a total of 75 A* grades with more than one in three grades awarded at A* or A. 84% of results at George Abbot were awarded at A* to C grades, with 18 students achieving two or more A* grades at A level. George Abbot Sixth Form is likely to maintain its position as one of the top non-selective state schools in Surrey and indeed, across the country.

Summer 2019 results show a significant improvement in the progress scores at Kings College, Guildford. Compared with last year, progress improved from -0.70 in 2018 to -0.15, bringing them above the national average for progress. Once the results are validated, it is likely that Kings College, Guildford will be confirmed as one of the most improved schools across the country.

5 FINANCIAL REVIEW

5.1 Financial performance

Most of the trust's income is obtained from the Department for Education (DfE), in the form of recurring grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2019 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the year ended 31 August 2019, the total expenditure of £37.1m (2018: £36.0m) was more than the total of incoming resources of £33.5m (2018: £34.2m), not including actuarial gains or losses.

Multiple financial performance measures have been monitored throughout the year. Key measures to aid control of our in-year position are highlighted below:

GEP SCHOOL	Variance to Budget	Staff as % Income	% Income Self-Generated
PRIMARY			
Boxgrove Primary School	-0.5%	78.7%	7.2%
Guildford Grove Primary School	4.5%	82.0%	2.0%
Loseley Fields Primary School	-0.9%	82.3%	1.2%
Sandfield Primary School	1.0%	80.2%	2.1%
SECONDARY			
Fullbrook School	-0.5%	80.7%	2.6%
George Abbot School	-3.0%	72.2%	2.5%
Kings College, Guildford	11.2%	79.0%	3.2%

Source: Internal school data (Period 97, subject to accountancy and audit adjustments)

The trust continued to carry forward capital fund balances for planned condition and improvement works and revenue fund balances for utilisation in future years, as deemed necessary according to our long-term financial plans.

Movements in tangible fixed assets are shown in more detail in the notes to the financial statements. These assets were exclusively those used for our charitable aims, providing education and the associated support services to the students of the schools within the trust. When these assets are not in use for educational purposes, they are available for community use and for generating sundry lettings income. In the year ended 31 August 2019, £0.6m of income was self-generated from use of the facilities (2018: £0.5m).

From the actuarial valuations for the year ended 31 August 2018, the Financial Reporting Standard 102 pension deficit on the trust's proportion of the Surrey Local Government Pension Scheme decreased and at 31 August 2019 stood at £14.6m (2018: £9.2m).

During the year the trust received £0.4m from its total capital funding award of £2.8m for 2018-19, the balance of which will be reclaimed from the DfE at the point in which the spend has been incurred. The total capital funding award included the fourth consecutive annual award of £2.3m for capital improvement works from the DfE School Condition Allocation. A condition survey has been undertaken at all seven schools and funds are allocated according to our estate's strategy and condition-driven need, as established from our rolling programme of condition surveys. All school sites have benefited from improvements to their teaching spaces, including roof repairs, window replacements, boiler works and upgrades to specialist teaching rooms. A programme of identified priority works will be finalised by March 2020, with a new review of capital needs being conducted thereafter.

5.2 Reserves policy

The trustees have agreed a reserves policy for the trust which will be reviewed annually. The review encompasses the nature of income and expenditure streams and the need to match income with commitments. In autumn 2018, it was agreed that school budgets will be set with no in-year deficit, thereby no longer using reserves on a planned basis.

The trustees are confident that the majority of schools have sufficient working reserves to cover delays between spending and receipt of grants and to provide a cushion to cover the financial risks facing the trust such as reductions in funding formula and pupil numbers. The exception to this is Kings College, Guildford. The trust has agreed a Pupil Number Adjustment repayment plan with the ESFA and continues to be in conversation with the Regional Schools Commissioner and Local Authority, around the funding for Kings College Guildford, to ensure financial solvency as it moves forward with lower than Local Authority forecast pupil numbers.

As at 31 August 2019, free reserves amounted to £1.7m (2018: £1.7m). The trust has designated a total of £428k of its free reserves for specific projects, namely:

- the reinstatement of a fire-damaged building at George Abbot (£308k);
- a provision for the future replacement costs of astroturf pitches (£98k); and
- to ringfence surpluses made related to extended services provision (£22k).

It is anticipated that this free reserve balance will be utilised over the course of the following academic years, as our cost base rises with income remaining relatively flat, and as the trust continues to support its schools.

The trustees' policy is to generate reserves to provide funds to continue to enhance the educational facilities and services of the trust and to fund future projects. The trustees intend to review the reserves policy annually to ensure that this aim can be achieved.

5.3 Investment policy

The trustees' investment powers are defined in the charitable company's Articles of Association which permit the investment of monies of GEP Academies that are not immediately required for its purposes in such investments, securities or property as may be thought fit, subject to any restrictions which may from time to time be imposed or required by law.

The trust's current policy is to invest surplus funds in a short-term cash deposit account.

5.4 Principal risks and uncertainties

The major risks to which the trust is exposed are related to financial uncertainties:

- (1) Low pupil numbers on school roll, especially at Kings College Guildford, leading to reduced funding.
- (2) Shortfalls due to government policy change leading to rises in staffing costs and/or changes in the introduction of a national funding formula.

As a trust we are mitigating financial risk through a trust-wide rather than school-centric approach, robust financial planning and control and exploring alternative avenues of income by utilising the assets in our estate. We are actively engaged with key stakeholders in local and national government regarding the funding of Kings College during a sustained period of pupil numbers being one third of capacity.

The trust has a rolling programme of risk assessment and management through which risks across all areas of the trust's operations are identified and managed. The risk register is reviewed regularly by trustees, governors and the schools' senior leadership teams. The trustees have overall responsibility for ensuring that GEP Academies has an appropriate and effective system of control, both financial and operational.

TRUSTEES' REPORT (Continued)

The system is designed to manage risk so to provide as high a level of assurance as is reasonably practical without unduly constraining the trustees' wish to be an innovative organisation that leads by example. An element of risk is always present when treading new ground. The trustees recognise that risk cannot be completely eliminated, but it can be understood, managed and controlled.

The trustees' attitude to risk is conservative. Activities are undertaken with a clear understanding of the risk involved and no activity would be undertaken that risked the viability of our operations. All major decisions are taken with extensive discussion between trustees, officers and staff and where appropriate other stakeholders are involved.

5.5 Fundraising

Approach to fundraising

Our schools strive to follow best fundraising practice, ensuring that the school community and other supporters are treated fairly and with respect. Our schools adopt an open and transparent approach to fundraising, where supporters can 'opt in' to relevant activities.

All schools seek voluntary contributions from students' parents/carers towards the cost of educational trips/other contributions. The seeking of these contributions is covered by the schools' charging and remissions policies.

Most schools have a Parent Teacher Association ("PTA"), offering fundraising events, such as a Christmas or Summer fair. A sub-set of these are set up as registered charities. Some schools seek general voluntary parental donations, for example at induction – without coercion and with minimal follow-up communication. Gift Aid is set-up accordingly.

Professional fundraiser or commercial participators

Fullbrook School let some of their facilities via a trading company, Fullbrook Sports Centre Limited. The annual profits of this company are passed to the school as a Gift Aid donation. No schools work with any other professional fundraisers. Regarding commercial participators, some schools have received small donations for specific activities or where there is a staff/parent/ex-pupil link – George Abbot received furniture from a local business and some schools' PTAs receive gifts in kind to offer as prizes in their fundraising events.

Fundraising standards and complaints

Communications regarding fundraising conform to recognised standards. Some of our schools have gained parental consent to pass on contact details to our PTAs, whilst others have gained consent from parents to receive fundraising direct marketing. Staff and Parent Teacher Associations have undergone GDPR training and are required to adhere to the GEP Data Protection and Information policy.

At GEP Academies we interact with supporters through a wide range of channels including events, newsletters, social media, face-to-face, over the telephone and on our collective websites. We value our relationship with supporters and welcome feedback as an important means of providing us with insight and improving their experience. We have a complaints procedure that is accessible, open and transparent. Any concerns raised by the school community, public or others are addressed in a timely manner. We have received no complaints regarding our fundraising in 2018-19, or since this date.

Monitoring of fundraising carried out on its behalf

We have active PTAs that raise funds on behalf of our schools by organising events and receiving cash or in-kind donations. These associations provide an important means of engaging our school communities with schools and raising funds. There is a close working relationship between the schools' leadership/governors and these associations, with regular dialogue to establish fundraising priorities, planning for joint fundraising strategies, training and monitoring of fundraising activities.

The operations of Fullbrook Sports Centre Limited are monitored by a member of the school's senior leadership team and its performance is reported to governors.

Protection from intrusive fundraising practices

Other than the letting of school facilities and provision of PTA-initiated community events, our schools do not participate in fundraising activities directed at the general public. Fundraising communications directed at parents/carers are carefully controlled and standardised in line with schools' charging and remission policies. The complaints policy provides a suitable methodology for anyone seeking redress if necessary. GEP Academies does not therefore participate in any unreasonable intrusive or persistent fundraising approaches, pressuring vulnerable people or the public to donate.

5.6 Going concern

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

The low pupil numbers at Kings College, Guildford and offering a good curriculum to pupils in this secondary school environment leads to uncertainty in our long-term financial planning. This will remain until either pupil numbers at the school show an increase towards a break-even level of 600 pupils or the DfE and / or the Local Authority (who insist that places are needed at Kings), provide additional funding in the future, to help support the school whilst it continues to operate with low pupil numbers.

6 PLANS FOR FUTURE PERIODS

The trust's future plans are focused on six priority areas:

- (1) Strengthen the trust's financial position by increasing the number of pupils attending our schools (especially Kings College, Guildford), and increasing income through further utilisation of the considerable assets at our disposal.
- (2) Where appropriate, and whilst recognising clearly that each school is unique and serves a specific and different community, we intend to align our curriculum structure and systems for pupil assessment in order to ensure there is good curriculum progression. We believe that by sharing and aligning the curriculum we will improve pupil outcomes and reduce teacher workload.
- (3) We will continue to develop our partnership with Athena Schools Trust with which we operate a collaborative school improvement strategy.
- (4) Maximise the advantages of the tight geographical proximity of our schools to collaborate effectively across the trust, sharing and retaining staff, utilising our 'outstanding' School Centred Initial Teacher Training provider to 'grow our own teachers' and seizing the opportunity of the George Abbot Teaching School being at the heart of our school improvement and teacher development programmes.
- (5) Consolidate the trust's operations, infrastructure, policies and processes to ensure they are fit for purpose now and in the future, protect against risk, and provide value for money, particularly by aligning back office arrangements across the trust.
- (6) We are delighted that the Secretary of State for Education has asked us to open a new regional Specialist 16-19 Maths School in Guildford in partnership with the University of Surrey. We will work towards the opening of the new school and without losing focus on our existing schools' continuous improvement, work with other schools who may wish to join GEP Academies, within the existing geographical area in which we operate.

7 FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

Although the trust maintains restricted funds to deal with incoming resources that are earmarked for a particular purpose by donors, sponsors and other funders, GEP Academies does not hold, and the trustees do not anticipate that it will in the future hold, any funds as custodian for any third party. There are no funds held as custodian trustee on behalf of others.

8 AUDITOR

8.1 Statement as to disclosure of information to the auditor

The trustees have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the trustees have confirmed that they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

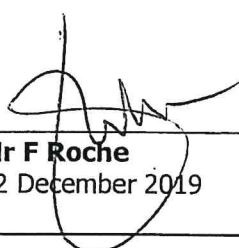
GUILDFORD EDUCATION PARTNERSHIP

TRUSTEES' REPORT (Continued)

8.2 Auditor appointment

BDO LLP have been appointed to provide an external audit service for the year ending 2019. The trustees will be reviewing the appointment (or reappointment), of an independent auditor, for the financial year starting 1 September 2019.

The Trustees' Report, including the Strategic Report, was approved by the Board of Trustees in their capacity as the Directors of the charitable company at their meeting on 12 December 2019 and signed on its behalf by:



Mr F Roche
12 December 2019

Chair

1 SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and are in accordance with the requirements and responsibilities assigned to it in the Funding Agreement between GEP Academies and the Secretary of State for Education. He is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

2 GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities.

2.1 Composition of the Board

In the previous year, GEP Academies has recruited a number of trustees with expertise that will be of benefit to the trust.

C Tweedale assumed the post of CEO and Accounting Officer from 1.9.18, replacing P Gale (trustee ex-officio from 1.9.17), but elected not to join the Board of Trustees, to ensure there is clear separation in duty between trustees holding the CEO to account and the executive team.

2.2 Performance of the Board

The trust undertook a skills audit at the beginning of the 2018-19 academic year, alongside GLAC skills audits. The Chairman of the Trust, F Roche, also reviewed his leadership with 360 degree anonymous feedback from trustees and the CEO. In 2019-20 the trust will participate in an externally run governance survey enabling benchmarking with trusts nationally.

2.3 Meetings of the Board

The Board of Trustees has formally met seven times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
J Cox	4	7
C Holyoak	7	7
S Millin	2	3
S Offord	2	3
J Powell	5	7
F Roche (Chair)	7	7
A Turner	1	3
C Wijnja	3	3
L Wilding	1	3
G Wyss (Vice-Chair)	7	7
J Yeomans	2	3

GUILDFORD EDUCATION PARTNERSHIP

GOVERNANCE STATEMENT (Continued)

The Board held a Strategy Day in June 2019, with trustees, the executive and school senior leaders, to focus on strategic leadership and the future of the trust.

Audit Committee

The trustees have an established Audit Committee to focus on risk management, financial controls and audit arrangements and held 4 formal meetings during the year.

Audit Committee members	Meetings attended	Out of a possible
C Holyoak (Audit Committee Chair)	4	4
J C Wijnja (as a trustee)	1	1
J C Wijnja (as an independent member)	2	3
G Wyss	4	4

Education Committee

The Education Committee primarily has responsibility for maintaining and promoting high educational standards across the trust. 6 formal meetings were held during the year.

Education Committee members	Meetings attended	Out of a possible
M Michell (as an independent member)	6	6
S Millin (Education Committee Chair; until January 2019)	3	3
F Roche	5	6
A Turner (Education Committee Chair; from February 2019)	2	2
L Wilding	2	2

Resources Committee

The Resources Committee focuses on matters of finance, administration, personnel and property and held 8 formal meetings during the year.

Resources Committee members	Meetings attended	Out of a possible
C Holyoak	7	8
F Roche	7	8
L Wilding	2	4
G Wyss (Resources Committee Chair)	8	8

3 REVIEW OF VALUE FOR MONEY

As accounting officer, the CEO 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 appropriate.

The accounting officer for the academy trust has delivered improved value for money during through the provision of central services as follows:

- Professional administrative support targeting complex activities – admissions consultations, exclusion hearings, human resource case management, senior leadership recruitment, financial systems selection and implementation, EU procurement, long-term budget planning, internal and external audit support, local and national government premises approvals to support income generation, health and safety auditing, emergency response support, capital improvement planning, data protection compliance training, freedom of information response service, disaster recovery planning.
- Central buying of educational supplies and services – for example cleaning, energy, accountancy and audit services, insurance, legal support, professional service level agreements and software licenses (for governance, leadership, education, finance and administration).
- Educational services through exceptional internal practitioners, rather than external consultants – providing targeted and sustained school improvement, OfSTED support, primary and secondary practitioner planning and intervention support, reviews for safeguarding and pupil premium

GOVERNANCE STATEMENT (Continued)

strategies. The trust continues to use the most talented members of its teaching force to support school-to-school improvement and relies less on external consultancy. The trust has access to a range of school improvement experts who are regularly deployed for the benefit of schools within the trust.

Links with the Royal Grammar School, Guildford, the University of Surrey and Athena School Trust, (as outlined on page 17-18) have also enabled us to deploy resources to a number of activities across the trust, from Board-level governance, to targeted school improvement initiatives and teacher collaboration.

4 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 and as such it can 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 trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in GEP Academies for the year ended 31 August 2019 and up to the date of approval of the annual report and financial statements.

5 CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees considers that there is an appropriate formal on-going process for identifying, evaluating and managing the trust's significant risks on an on-going basis. This process is regularly reviewed by the Board of Trustees.

6 THE RISK AND CONTROL FRAMEWORK

The trust's system of internal financial control is based on a system of delegation and accountability (which is defined in the Scheme of Delegation) and a framework of regular management information and administrative procedures including the segregation of duties. In particular, it includes:

- Comprehensive budgeting and monitoring systems with an annual budget set within the context of a five-year budget plan and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- Regular reviews by the Resources and Audit Committees of monthly management accounts 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; and
- Identification and management of risks.

Additionally, a central risk register is proactively managed at each school and across the trust, which is reviewed on a regular basis by the schools' senior leadership teams, governors and trustees. The process of risk management is reviewed by the Audit Committee on an ongoing basis.

7 REVIEW OF EFFECTIVENESS

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

- The work of the internal audit function;
- The work of the external auditor;
- The financial management and governance self-assessment process; and

GUILDFORD EDUCATION PARTNERSHIP


GOVERNANCE STATEMENT (Continued)

- The work of the Audit Committee within the trust who have responsibility for the oversight of the internal control framework.

The Accounting Officer has been advised of the implications of the result of the review of the system of internal control by the Audit Committee. As with all reviews, action plans are in place when any weaknesses are found, plans are monitored for completion and processes are adapted to ensure continuous improvement of the system.

Trustees have considered the need for a specific internal audit function and decided to appoint TIAA Limited, with effect from 2019 to perform additional checks, on an independent basis, instead of appointing a GEP Academies employee as internal auditor. This role includes performing a range of checks on the trust's financial systems and providing recommendations to inform management. As part of a rolling programme, checks carried out this academic year included grant income and human resource management practices. The appointee reports to the Board of Trustees via the Audit Committee, on the operation of controls and on the discharge of the Board of Trustee's financial responsibilities. In the year ending 31 August 2019, no significant weaknesses were reported.

Approved by order of the members of the Board of Trustees on 12 December 2019 and signed on its behalf by:



Mr F Roche
12 December 2019

Chair



Mr C Tweedale
12 December 2019

Chief Executive Officer

GUILDFORD EDUCATION PARTNERSHIP

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of GEP Academies, I have considered my responsibility to notify the Board of Trustees and the Education Skills and Funding Agency (ESFA), of any material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the Board of Trustees are able to identify any material irregular or improper use of all funds by the trust, or material non-compliance with the terms and conditions of funding under the trust's funding agreement and the Academies Financial Handbook 2018.

I confirm that no instances of material irregular, impropriety or funding non-compliance have been discovered to date, other than one retrospective related party transaction approval, reported in note 26 to the accounts. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA.

Signed by the Accounting Officer:



Chief Executive Officer

Mr C Tweedale

12 December 2019

GUILDFORD EDUCATION PARTNERSHIP

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the Directors of the charitable company for the purposes of company law), are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

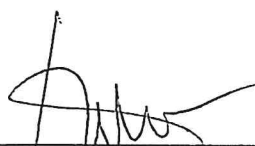
- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities Statement of Recommended Practice 2015 (SORP 2015) and the Academies Accounts Direction 2018-19;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards, Financial Reporting Standard 102 (FRS 102), have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the trust will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the trust's transactions and disclose with reasonable accuracy at any time the financial position of the trust 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 trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

Approved by order of the members of the Board of Trustees on 12 December 2019 and signed on its behalf by:



Chair

Mr F Roche
12 December 2019

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS

1 OPINION

We have audited the financial statements of Guildford Education Partnership ("the academy trust") for the year ended 31 August 2019 which comprise the consolidated statement of financial activities (incorporating income and expenditure account), the group and charitable company balance sheet, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency (ESFA).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and the Parent Charitable Company's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance the Academies Accounts Direction 2018 to 2019.

2 BASIS FOR OPINION

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

3 CONCLUSIONS RELATING TO GOING CONCERN

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

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

4 OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS (Continued)

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

We have nothing to report in this regard.

5 OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' Report, have been prepared in accordance with applicable legal requirements.

6 MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

7 RESPONSIBILITIES OF TRUSTEES

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

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

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO
THE MEMBERS (Continued)**

**8 AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL
STATEMENTS**

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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

BDO LLP

Heather Wheelhouse (Senior Statutory Auditor)

For and on behalf of

BDO LLP (Statutory Auditor)

London, UK

17 December 2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

GUILDFORD EDUCATION PARTNERSHIP

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GUILDFORD EDUCATION PARTNERSHIP AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 12 February 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Guildford Education Partnership during the period 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

1 RESPECTIVE RESPONSIBILITIES OF GUILDFORD EDUCATION PARTNERSHIP'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Guildford Education Partnership's funding agreement with the Secretary of State for Education dated 1 July 2011 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

2 APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusion includes an assessment of the level of risk associated with the specific categories of income and expenditure and the potential for irregularities to be identified.

GUILDFORD EDUCATION PARTNERSHIP

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GUILDFORD EDUCATION PARTNERSHIP AND THE EDUCATION AND SKILLS FUNDING AGENCY (Continued)

Our procedures included, but not limited to, the following:

- Reviewing minutes of meetings, management accounts and made enquiries of management;
- Performing sample testing of expenditure ensuring items are for the academy trust's purposes and are appropriately authorised;
- Reviewing the procedures for identifying and declaring related parties and other business interests;
- Scrutinising journals, and other adjustments posted during the year for evidence of unusual entries and made further enquiries into any such items where relevant;
- Taking a selection of nominal ledger accounts for evidence of unusual entries and made further enquiries into any such items where relevant;
- Performing an evaluation of the general control environment of the academy trust;
- Reviewing nominal ledger accounts for any large or unusual entries and obtaining supporting documentation;
- Reviewing any family members of directors or senior leadership team appointed in the period, checking that the academy trust's processes have been followed and the remuneration appears reasonable;
- Performing a review of the tendering policy, enquiring of any tenders completed in the period and completing a review of tenders completed for the appropriate documentation and authorisation;
- Enquiries of management of new leases in the period, ensuring they are entered into in line with the financial handbook policies;
- Review of the academy trust's website for the correct disclosure of governance information in line with ESFA guidelines;
- Performing a review of the Business Continuity Plan in place by the academy trust.

3 CONCLUSION

In the course of our work, except for the matter listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Matter 1: Non-disclosure and approval of related party transaction in excess of £20,000.

A related party transaction in excess of £20,000 was not disclosed on the ESFA's online portal and prior approval from the ESFA was not sought. The transaction came to light at head office in November 2019 and an application has been made to ESFA for retrospective approval.

BDO LLP

for and on behalf of
BDO LLP (Reporting Accountant)
London, UK
17 December 2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

GUILDFORD EDUCATION PARTNERSHIP

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR
ENDED 31 AUGUST 2019**

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Assets Funds £000	Total 2019 £000	Total 2018 £000
Income from:						
Donations & capital grants	2	166	-	725	891	2,737
Charitable activities:						
Funding for the Academy Trust's educational operations	3	1,931	29,544	-	31,475	30,803
Other trading activities	4	559	-	-	559	490
Teaching School	29	-	576	-	576	216
Investments	5	7	-	-	7	3
Total		2,663	30,120	725	33,508	34,249
Expenditure on:						
Raising funds	6	111	-	-	111	102
Charitable activities:						
Funding for the Academy Trust's educational operations	6	1,126	31,862	3,409	36,397	35,421
Teaching School	6,29	-	560	-	560	464
Total		1,237	32,422	3,409	37,068	35,987
Net income		1,426	(2,302)	(2,684)	(3,560)	(1,738)
Transfers between funds	16	(1,482)	1,143	339	-	-
Other recognised gains / (losses):						
Actuarial gains/(losses) on defined benefit pension schemes	16,25	-	(4,119)	-	(4,119)	2,320
Net movement in funds		(56)	(5,278)	(2,345)	(7,679)	582
Reconciliation of funds						
Total funds brought forward		1,727	(8,693)	83,748	76,782	76,200
Total funds carried forward		1,671	(13,971)	81,403	69,103	76,782

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

The Statement of Financial Activities includes all gains and losses recognised in the period.

The net movement in funds for the year arises from the trust's continuing operations (see note 16).

The notes on pages 42 onwards form part of these financial statements.

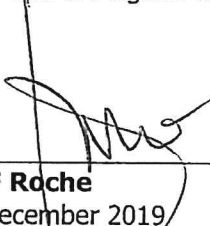

GUILDFORD EDUCATION PARTNERSHIP

CONSOLIDATED BALANCE SHEET AS AT 31 AUGUST 2019

Company Number: 07649091

	Notes	2019 £000	2019 £000	2018 £000	2018 £000
Fixed assets					
Tangible assets	11		80,257		81,057
Current assets					
Debtors	13	1,143		911	
Cash at bank and in hand	23	5,017		5,804	
		6,160		6,715	
Liabilities					
Creditors: Amounts falling due within one year	14	(2,682)		(1,709)	
		(2,682)		(1,709)	
Net current assets			3,478		5,006
Total assets less current liabilities			83,735		86,063
Creditors: Amounts falling due after one year	15		-		(7)
Net assets excluding pension scheme liability			83,735		86,056
Defined benefit pension scheme liability	25		(14,632)		(9,274)
Total net assets	17		69,103		76,782
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	16	81,403		83,748	
Restricted income fund	16	661		581	
Pension reserve	16	(14,632)		(9,274)	
Total restricted funds			67,432		75,055
Unrestricted income funds	16		1,671		1,727
Total funds			69,103		76,782

The financial statements were approved by the trustees, and authorised for issue, on 12 December 2019 and are signed on their behalf, by:

 _____ Mr F Roche 12 December 2019	 _____ Mr C Tweedale 12 December 2019	Chair Chief Executive Officer
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The notes on pages 42 onwards form part of these financial statements.

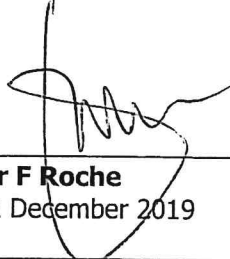
GUILDFORD EDUCATION PARTNERSHIP

ACADEMY TRUST BALANCE SHEET AS AT 31 AUGUST 2019


Company Number: 07649091

	Notes	2019 £000	2019 £000	2018 £000	2018 £000
Fixed assets					
Tangible assets	11		80,257		81,057
Current assets					
Debtors	13	1,133		907	
Cash at bank and in hand		4,989		5,801	
		6,122		6,708	
Liabilities					
Creditors: Amounts falling due within one year	14	(2,743)		(1,779)	
		(2,743)		(1,779)	
Net current assets			3,379		4,929
Total assets less current liabilities			83,636		85,986
Creditors: Amounts falling due after one year	15		-		(7)
Net assets excluding pension scheme liability			83,636		85,979
Defined benefit pension scheme liability	25		(14,632)		(9,274)
Total net assets	17		69,004		76,705
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	16	81,403		83,748	
Restricted income fund	16	661		581	
Pension reserve	16	(14,632)		(9,274)	
Total restricted funds			67,432		75,055
Unrestricted income funds	16		1,572		1,650
Total funds			69,004		76,705

The financial statements were approved by the trustees, and authorised for issue, on 12 December 2019 and are signed on their behalf, by:


Mr F Roche
 12 December 2019

Chair


Mr C Tweedale
 12 December 2019

Chief Executive Officer

The notes on pages 42 onwards form part of these financial statements.

GUILDFORD EDUCATION PARTNERSHIP**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019**

	Notes	2019 £000	2018 £000
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	20	1,503	(2,046)
Cash flows from financing activities	21	(13)	(28)
Cash flows from investing activities	22	(2,277)	121
Change in cash and cash equivalents in the reporting period		(787)	(1,953)
Cash and cash equivalents at 1 September 2018		5,804	7,757
Cash and cash equivalents at 31 August 2019	23	5,017	5,804

The notes on pages 42 onwards form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

1 STATEMENT OF ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the trust and its wholly owned subsidiary, Fullbrook Sports Centre Limited, on a line-by-line basis.

1.2 Going concern

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

1.3 Income

All income is recognised when the academy trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants

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

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

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

Sponsorship income

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2019

1.3 Income (Continued)

Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

Other income

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

Donated goods, facilities and services

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

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

Transfer on conversion

Where assets and liabilities are received by the academy trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised as transfer on conversion within Donations and capital grant income to the net assets received.

Interest receivable

Interest receivable is included within the Statement of Financial Activities on a receivable basis.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party and it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity.

Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Depreciation charges are allocated on the portion of the asset's use.

Expenditure on raising funds

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

Charitable activities

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

All resources expended are inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2019

1.5 Tangible fixed assets

Assets costing £2,000 or more (for GEP Primary Schools), or £5,000 or more (for GEP Secondary schools), are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life with a nil residual value.

The trust separately identifies the major components of its schools' buildings and charges depreciation so as to write-down the cost of each component to its estimated residual value, over its expected useful life.

The useful lives are as follows:

ASSET GROUP	USEFUL LIFE
Freehold buildings & building improvements	125 years
Leasehold land	125 years
Leasehold buildings & building improvements	50 years
Assets under construction	These are not depreciated until the asset is brought into use.
School building components:	
Bathrooms / kitchens	15 years
Lifts	25 years
Windows	30 years
Doors	30 years
Plant & machinery	15 years
Furniture	10 years
Equipment (incl. sports equipment)	10 years
Computer equipment and software	4 years
Motor vehicles / minibuses	10 years

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings. A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2019

1.6 Liabilities

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

1.7 Provisions

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

1.8 Leased assets

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor.

Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the statement of financial activities in proportion to the remaining balance outstanding.

All other leases are "operating leases" and the annual rentals are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

1.9 Taxation

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

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

1.10 Pension benefits

Retirement benefits for employees of the academy trust are provided by the Teachers' Pension Scheme (TPS), and the Local Government Pension Scheme (LGPS). These are defined benefit schemes and the assets are held separately from those of the academy trust.

Teachers' Pension Scheme

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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2019

1.10 Pension benefits (Continued)

Local Government Pension Scheme

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

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

1.11 Fund accounting

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

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

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

1.12 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The academy trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 27.

1.13 Critical accounting estimates and areas of judgement

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.

- (1) 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 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.
- (2) On conversion to the academy trust, the assets and liabilities of a school are measured at fair value. This includes any land and buildings. The valuation of the land and buildings involves a significant degree of estimation. Refer to note 11 for further details on this estimation.

GUILDFORD EDUCATION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2019

2 DONATIONS AND CAPITAL GRANTS

	Unrestricted Funds £000	Restricted Funds £000	Total 2019 £000
Capital grants (DfE / ESFA)	-	325	325
Other donations	166	-	166
Donated fixed assets	-	400	400
	<u>166</u>	<u>725</u>	<u>891</u>

£400,000 included within donated fixed assets, relates to the caretakers' house at King's College, Guildford. Although recognised as donated asset this year it should have been included within King's College, Guildford transfer on conversion balance at the time it joined the trust on 1 September 2014. However, the property was omitted from the professional property valuation carried out at that time.

	Unrestricted Funds £000	Restricted Funds £000	Total 2018 £000
Capital grants (DfE / ESFA)	-	2,543	2,543
Other donations	194	-	194
	<u>194</u>	<u>2,543</u>	<u>2,737</u>

3 FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £000	Restricted Funds £000	Total 2019 £000
DfE / ESFA grants			
General Annual Grant (GAG)	-	24,807	24,807
Rates and insurance	-	140	140
Universal infant free school meals	-	224	224
Pupil premium	-	976	976
Scheme income	-	77	77
16-19 Bursary income	-	29	29
	<u>-</u>	<u>26,253</u>	<u>26,253</u>
Other Government grants			
Special educational projects	-	894	894
	<u>-</u>	<u>894</u>	<u>894</u>
Other income from the academy trust's educational operations			
East Guildford Confederation	-	138	138
11-19 Partnership income	-	217	217
Graduate teacher programme	-	679	679
Children's Centre early years	-	394	394
Growing school income	-	147	147
Other educational income	1,083	822	1,905
Proceeds from insurance claim	848	-	848
	<u>1,931</u>	<u>2,397</u>	<u>4,328</u>
Total funding	<u>1,931</u>	<u>29,544</u>	<u>31,475</u>

Other educational income includes £635,725 relating to school fund activities.

GUILDFORD EDUCATION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2019

3 FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS (Continued)

	Unrestricted Funds £000	Restricted Funds £000	Total 2018 £000
DfE / ESFA grants			
General Annual Grant (GAG)	-	24,386	24,386
Start up	-	-	-
Rates and insurance	-	121	121
Universal infant free school meals	-	230	230
Pupil premium	-	893	893
Scheme income	-	55	55
16-19 Bursary income	-	12	12
	-	25,697	25,697
Other Government grants			
Special educational projects	-	987	987
	-	987	987
Other income from the academy trust's educational operations			
East Guildford Confederation	-	156	156
11-19 Partnership income	-	112	112
Graduate teacher programme	-	902	902
Children's Centre early years	-	158	158
Growing school income	-	-	-
Other educational income	832	1,959	2,791
	832	3,287	4,119
Total funding	832	29,971	30,803

Other educational income includes £1,074,882 relating to school fund activities.

4 OTHER TRADING ACTIVITIES

	Unrestricted Funds £000	Restricted Funds £000	Total 2019 £000
Other trading income	40	-	40
Letting and hire of facilities	519	-	519
	559	-	559

	Unrestricted Funds £000	Restricted Funds £000	Total 2018 £000
Letting and hire of facilities	490	-	490
	490	-	490

GUILDFORD EDUCATION PARTNERSHIP**NOTES TO THE FINANCIAL STATEMENTS (Continued)**
FOR THE YEAR ENDED 31 AUGUST 2019

5 INVESTMENT INCOME

	Unrestricted Funds £000	Restricted Funds £000	Total 2019 £000
Interest receivable	7	-	7
	<u>7</u>	<u>-</u>	<u>7</u>

	Unrestricted Funds £000	Restricted Funds £000	Total 2018 £000
Interest receivable	3	-	3
	<u>3</u>	<u>-</u>	<u>3</u>

GUILDFORD EDUCATION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2019

6 EXPENDITURE

	Non Pay Expenditure			Total 2019 £000
	Staff Costs £000	Premises £000	Other £000	
Expenditure on raising funds:				
Direct costs	69	-	42	111
Academy trust's educational operations:				
Direct costs	22,361	2,852	4,211	29,424
Allocated support costs	2,903	-	4,070	6,973
Teaching School	-	-	560	560
	25,333	2,852	8,883	37,068

	Non Pay Expenditure			Total 2018 £000
	Staff Costs £000	Premises £000	Other £000	
Expenditure on raising funds:				
Direct costs	-	-	102	102
Academy trust's educational operations:				
Direct costs	22,197	2,636	4,837	29,206
Allocated support costs	3,579	-	2,172	6,215
Teaching School	-	-	464	464
	25,776	2,636	7,575	35,987

Total expenditure was £37,068,000 (2018: £35,987,000) of which £1,237,000 (2018: £327,000) was unrestricted, £32,422,000 (2018: £33,024,000) was restricted and £3,409,000 (2018: £2,636,000) was allocated to restricted fixed asset funds.

Net income/(expenditure) for the period includes:

	2019 £000	2018 £000
Operating lease rentals	27	53
Depreciation	2,852	2,636
Fees payable to auditor for:		
Audit	33	30
Other services	15	22

6.1 Expenditure on raising funds

	Unrestricted Funds £000	Restricted Funds £000	Total 2019 £000
Other expenditure	111	-	111
	111	-	111
	Unrestricted Funds £000	Restricted Funds £000	Total 2018 £000
Other expenditure	102	-	102
	102	-	102

GUILDFORD EDUCATION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2019

6.2 Expenditure on charitable activities

	Total 2019 £000	Total 2018 £000
Academy trust's educational operations - direct costs		
Teaching and educational support staff costs	22,361	22,197
Depreciation	2,852	2,636
Educational supplies	1,619	1,781
Technology costs	338	356
Examination fees	405	357
Staff development	968	646
Other direct costs	881	1,233
	29,424	29,206
	Total 2019 £000	Total 2018 £000
Academy trust's educational operations - allocated support costs		
Support staff costs	2,872	3,579
Pension finance costs	272	269
Maintenance of premises & equipment	777	667
Cleaning	718	618
Rent and rates	316	280
Energy costs	406	379
Insurance	131	124
Bank interest and charges	14	17
Other support costs	842	206
Impairment	497	-
Technology costs	24	23
Governance costs	104	53
	6,973	6,215
Total expenditure on charitable activities	36,397	35,421

The trust's 2018 direct and support costs have been reclassified to correctly recognise the teaching school costs of £464,000, this has had no impact on the total expenditure on charitable activities.

The trust analyses expenditure as direct costs when transactions are being processed; thereafter, the trust allocates support costs on the basis of estimated staff time involved and/or the nature of the cost. There are no amounts, included in resources expended above, that relate to ex-gratia/compensation payments, fixed asset losses, stock losses, unrecoverable debts or cash losses. Governance costs included staff costs of £31,000 (2018: £Nil).

GUILDFORD EDUCATION PARTNERSHIP**NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2019****7 STAFF COSTS****7.1 Staff costs**

Staff costs during the period were:

	2019 £000	2018 £000
Wages and salaries	19,045	19,171
Social security costs	1,724	1,817
Operating costs of defined benefit pension schemes	4,189	4,366
	24,958	25,354
Supply staff costs	351	364
Staff restructuring costs	24	58
	25,333	25,776
Staff restructuring costs comprise:		
Redundancy payments	7	13
Severance payments	17	45
	24	58

7.2 Non statutory/non-contractual staff severance payments

Staff restructuring costs comprise redundancy payments of £7,414 (2018: £12,717) to several members of staff at Guildford Grove Primary School and non-statutory/non-contractual severance payments totalling £16,777 (2018: £45,000). The payment of £16,777 was made to one individual (2018: £5,000 and £40,000 made to two individuals).

7.3 Staff numbers

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

	2019 No.	2018 No.
Teachers	317	368
Administration and support ¹	459	420
Management	17	21
	793	809

¹ Note that this category covers all support staff who are not management and therefore includes education support staff, as well as administrative and operational staff.

GUILDFORD EDUCATION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 AUGUST 2019

7.4 Higher paid staff

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

	2019 No.	2018 No.
£60,001 - £70,000	4	8
£70,001 - £80,000	6	3
£80,001 - £90,000	1	1
£90,001 - £100,000	1	1
£100,001 - £110,000	1	1
£140,001 - £150,000	1¹	-
£150,001 - £160,000	-	1

¹ This employee receives a salary of £120,000 but does not receive pension contributions. In lieu of pension contributions an additional allowance of £25,000 is paid.

7.5 Key management personnel

The key management personnel of the academy trust comprise the trustees and the executive team as listed on page 3. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £355,758 (2018: £382,436).

GUILDFORD EDUCATION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (Continued) **FOR THE YEAR ENDED 31 AUGUST 2019**

8 CENTRAL SERVICES

The trust has provided the following central services to its academy schools during the current year:

- Educational services through exceptional internal practitioners, rather than external consultants – providing targeted and sustained school improvement, OfSTED support, primary and secondary practitioner planning and intervention support, reviews for safeguarding and pupil premium strategies. The trust continues to use the most talented members of its teaching force to support school-to-school improvement and relies less on external consultancy. The trust has access to a range of school improvement experts who are regularly deployed for the benefit of trust members.
- Professional administrative support targeting complex activities – admissions consultations, exclusion hearings, human resource case management, senior leadership recruitment, financial systems selection and implementation, EU procurement, long-term budget planning, internal and external audit support, local and national government premises approvals to support income generation, health and safety auditing, emergency response support, capital improvement planning, data protection compliance training, freedom of information response service, disaster recovery planning.
- Central buying of educational supplies and services – for example cleaning, energy, accountancy and audit services, insurance, legal support, professional service level agreements and software licenses (for governance, leadership, education, finance and administration).

The trust's charging structure is a top slice of 3% from each of its academy schools and a fixed fee of £28,000. The actual amounts charged during the year were as follows:

	2019 £000	2018 £000
Boxgrove Primary School	95	67
Fullbrook School	236	151
George Abbot School	309	185
Guildford Grove Primary School	91	66
Kings College, Guildford	96	67
Loseley Fields Primary School	81	56
Sandfield Primary School	53	42
	961	635

9 RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

In the period ended 31 August 2019, no trustees were paid remuneration or received other benefits from an employment with GEP Academies (2018: one trustee - CEO). The Chief Executive Officer only received remuneration in respect of services provided, undertaking the role of Chief Executive Officer under his contract of employment, and not in respect of his role as trustee. The value of trustees' remuneration and other benefits was as follows:

Mr P A Gale (Chief Executive Officer and trustee)
Remuneration £Nil (2018: £150,000 - £160,000)
Employer's pension contributions £Nil (2018: £10,000 - £20,000)

During the year ended 31 August 2019, travel and subsistence expenses totalling £nil (2018: £Nil) were reimbursed.

Other related party transactions involving the trustees are set out in note 26.

GUILDFORD EDUCATION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 AUGUST 2019

10 TRUSTEES' AND OFFICERS' INSURANCE

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

11 TANGIBLE FIXED ASSETS – GROUP AND ACADEMY TRUST

	Freehold Land & Buildings £000	Leasehold Land & Buildings £000	Plant & Machinery £000	Property under construction £000	Total £000
Cost					
At 1 September 2018	41,030	49,255	4,405	297	94,987
Additions	400	940	530	739	2,609
Disposals	-	(417)	-	-	(417)
Transfers	-	225	-	(225)	-
At 31 August 2019	41,430	50,003	4,935	811	97,179
Depreciation					
At 1 September 2018	4,517	6,689	2,724	-	13,930
Charged in year	2,527	105	220	-	2,852
On disposal	-	(357)	-	-	(357)
Impairment provisions for the year	-	497	-	-	497
Transfers	-	-	-	-	-
At 31 August 2019	7,044	6,934	2,944	-	16,922
Net book values					
At 31 August 2019	34,386	43,069	1,991	811	80,257
At 31 August 2018	36,513	42,566	1,681	297	81,057

The trust has reviewed the useful economic life of all assets comprising two or more major components which have substantially different useful economic lives. This review has been completed for all assets from the point of acquisition resulting in additional depreciation charge of £464,000 in year.

The impairment charge of £497,000 relates to fire damage of a George Abbot building in November 2018, for which a reinstatement project is underway.

The freehold and long leasehold land and buildings transferred to the trust upon conversion were valued at £63,601,895 (2018: £63,201,895) on an existing value basis and a depreciated replacement costs basis by DVS Property Specialists.

Leasehold property is owned by the Local Authority and leased to the trust.

GUILDFORD EDUCATION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 AUGUST 2019

11 TANGIBLE FIXED ASSETS – GROUP AND ACADEMY TRUST (Continued)

The cost of the above tangible assets was funded by:

	2019 £000	2018 £000
Fixed assets transferred upon conversion	84,054	84,071
General Annual Grant funded	707	707
Capital grant funded	12,064	10,194
Special Educational Needs funded	6	6
Funded from unrestricted resources	348	9
	97,179	94,987

When not used for educational purposes, land and building assets are leased on a short-term basis for community use and to generate sundry lettings income.

12 INVESTMENT IN SUBSIDIARY

The trust has a subsidiary company, Fullbrook Sports Centre Limited (registered number 07834828), which is wholly owned and incorporated in Great Britain. The principal activity of the company is to generate income through lettings. It was incorporated, and also commenced trading, on 3 November 2011.

The following is a summary of the financial statements of Fullbrook Sports Centre Limited for the period ended 31 August 2019, which have been included in the consolidated financial statements:

	2019 £000	2018 £000
Turnover	206	179
Administrative expenses	(107)	(102)
Net profit for the period	99	77
Retained profit at 1 September	77	-
Distribution	(77)	-
Retained profit at 31 August	99	77

13 DEBTORS

	Group		Academy Trust	
	2019 £000	2018 £000	2019 £000	2018 £000
Trade debtors	70	88	62	87
VAT recoverable	374	308	374	308
Prepayments and accrued income	680	512	679	511
Other debtors	19	3	18	1
	1,143	911	1,133	907

GUILDFORD EDUCATION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2019

14 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Academy Trust	
	2019	2018	2019	2018
	£000	£000	£000	£000
Trade creditors	831	24	831	24
Other taxation and social security	624	654	624	654
Other creditors	18	23	18	23
Amounts owed to subsidiary undertaking	-	-	65	75
Abatement of GAG	476	425	476	425
Accruals and deferred income	733	583	729	578
	2,682	1,709	2,743	1,779
Deferred income at 1 September	257	821	257	821
Amounts released in the year	(257)	(821)	(257)	(821)
Resources deferred in the year	254	257	254	257
Deferred income at 31 August	254	257	254	257

Deferred income includes income which relates to the trust's educational operations for the 2019/20 academic year. This income mainly relates to Universal Infant Free School Meals grant.

Included within creditors is a balance of £6,922 (2018: £13,984), in relation to a loan agreement entered into by Fullbrook School with the government's Salix loan provider to obtain funding for energy efficient lighting and boilers. The Salix loan is interest free and is repayable by instalments every six months.

15 CREDITORS - AMOUNTS FALLING DUE AFTER ONE YEAR

	Group		Academy Trust	
	2019	2018	2019	2018
	£000	£000	£000	£000
Other creditors	-	7	-	7
	-	7	-	7

Included within creditors due after more than one year is a balance of £Nil (2018: £6,922) in relation to a loan agreement entered into by Fullbrook School with the government's Salix loan provider to obtain funding for energy efficient lighting and boilers. The Salix loan is interest free and is repayable by instalments every six months.

GUILDFORD EDUCATION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2019

16 FUNDS

16.1 Funds - Group

	Balance Brought forward at 1.9.18 £000	Income £000	Expenditure £000	Gains, losses & transfers £000	Balance Carried forward as at 31.8.19 £000
Restricted general funds					
General Annual Grant (i)	-	24,807	(24,807)	-	-
Rates and Insurance fund (ii)	-	140	(140)	-	-
Capital Grants fund (iii)	-	-	-	-	-
Pupil Premium (xxviii)	-	976	(976)	-	-
SCITT fund (iv)	149	679	(789)	-	39
PE Teacher Release Scheme fund (v)	-	77	(71)	-	6
Special Educational Needs fund (vi)	-	894	(894)	-	-
16 -19 Bursary fund (vii)	-	29	(24)	-	5
Teaching School fund (viii)	182	576	(560)	-	198
East Guildford Confederation fund (ix)	99	138	(210)	-	27
11- 19 Partnership fund (x)	151	217	(163)	-	205
Kings College fund (xi)	-	-	-	-	-
Children's Centre Early Years fund* (xii)	-	394	(312)	27	109
Universal Free School Meals (xxi)	-	224	(224)	-	-
Other grants (xxvi)	-	772	(1,861)	1,089	-
Growing Schools fund (xiii)	-	147	(147)	-	-
Surrey Maths School (xxii)	-	30	(5)	-	25
Cricket Centre* (xx)	-	20	-	27	47
LGPS deficit fund	(9,274)	-	(1,239)	(4,119)	(14,632)
- pension reserve (xiv)					
	(8,693)	30,120	(32,422)	(2,976)	(13,971)
Restricted fixed asset funds					
Transfer on Conversion (xv)	73,200	400	(3,409)	-	70,191
GAG Fixed Asset fund (xvi)	4,537	-	-	-	4,537
Capital Grant fund (xvii)	6,005	325	-	339	6,669
SEN Fixed Asset fund (xviii)	6	-	-	-	6
	83,748	725	(3,409)	339	81,403
Total restricted funds	75,055	30,845	(35,831)	(2,637)	67,432
General funds (xix)	1,617	1,611	(710)	(1,275)	1,243
<i>Designated funds:</i>					
Extended services (xxiii)	10	204	(192)	-	22
Astroturf fund (xxiv)	100	-	(2)	-	98
Insurance fund (xxv)	-	848	(333)	(207)	308
Total unrestricted funds	1,727	2,663	(1,237)	(1,482)	1,671
Total funds	76,782	33,508	(37,068)	(4,119)	69,103

*Children's Centre EY fund and Cricket Centre fund have been reclassified as restricted funds for the current year and brought forward balances have been reclassified from the unrestricted funds brought forward.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2019

16.1 Funds – Group (Continued)

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

- i. The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to the trust by the Department for Education, via the Education and Skills Funding Agency. The General Annual Grant Fund has been set up because the GAG must be used for the normal running costs of the Academy. Under the funding agreement with the Secretary of State, the trust was not subject to a limit on the GAG that it could carry forward at 31 August 2019.
- ii. The Rates and Insurance fund has been created to recognise the restricted funding received from the Department for Education to cover the cost to the trust of rates and insurance.
- iii. The Capital Grants fund has been created to recognise the restricted grant funding received from all sources towards capital expenditure projects undertaken throughout the trust. Transfers are made to the Capital Grants Fixed Asset fund for expenditure incurred that is in respect of tangible fixed assets.
- iv. The School Centred Initial Teacher Training (SCITT) fund has been created to recognise the restricted funding received, including funding from the National College of Teaching and Leadership, to cover the operating costs of running the teacher training schemes.
- v. The PE Teacher Release Scheme fund has been created to recognise restricted funding received by way of compensation to the trust for allowing a PE teacher to spend part of his or her time working with local infant and primary schools. This funding is ring-fenced and covers the salary costs of those relevant PE teachers.
- vi. The Special Educational Needs (Local Authority) fund has been created to recognise all restricted income from various sources that is intended to be used to partially fund the costs incurred by the trust in meeting the additional educational needs of some of its pupils. The relevant restricted expenditure is then also recorded through this fund with any overspend being covered by a transfer from the General Annual Grant fund.
- vii. The 16-19 Bursary fund has been created to recognise restricted funding which enables the trust to provide mandatory bursaries under the Department for Education scheme for certain categories of qualifying student as well as discretionary payments awarded by the governors to other students in need of support.
- viii. The Teaching School fund has been created to recognise the restricted funding received from the Department for Education to cover the operating costs associated with the running of the Teaching School.
- ix. The East Guildford Confederation fund has been created to recognise the restricted funding received from Surrey County Council, the Local Authority, to cover the operating costs associated with the running of the East Guildford Confederation fund.
- x. The 11-19 Partnership fund has been created to recognise the restricted funding received from Surrey County Council, the Local Authority, and local schools within the Partnership to cover the operating costs associated with the running of the 11-19 Partnership.
- xi. The Kings College, Guildford fund has been created to recognise the restricted funding received from Surrey County Council to cover the operating costs associated with initial support of Kings College, Guildford by the CEO of GEP Academies.
- xii. The Children's Centre fund has been used for our Sure Start Children's Centres, which provide free or heavily subsidised activities both for children under 4 and their parent/carers.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2019

16.1 Funds – Group (Continued)

- xiii. The Growing Schools fund has been created to recognise the funding received from Surrey County Council to cover the costs of school expansion (an additional 30 pupils per year). The existing ESFA grant is based on the January census and as Boxgrove Primary School was expanding to 3 classes per year until September 2016, the Growing schools' grant was paid until the end of August 2017. The same applies to Loseley Fields Primary School, following their acquisition in 2016-17.
- xiv. The Local Government Pension Scheme (LGPS) deficit fund has been created to separately identify the pension deficit inherited from the local authority upon conversion to academy status, and through which all the pension scheme movements are recognised.
- xv. The Transfer on Conversion Fixed Asset fund has been set up to recognise the tangible assets gifted to the trust upon conversion of each school to academy status and represents the value of the school sites including the land and buildings and all material items of plant and machinery included therein. Depreciation charged on those inherited assets is allocated to the fund.
- xvi. The General Annual Grant Fixed Asset fund has been set up to recognise the tangible assets purchased by the trust that have been funded from the General Annual Grant. This fund has been created by a transfer from the General Annual Grant fund of an amount equivalent to the cost of the tangible assets involved. Depreciation charged on those tangible assets is allocated to the fund.
- xvii. The Capital Grant Fixed Asset fund has been set up to recognise the tangible assets purchased by the trust that have been funded from capital grants. This fund has been created by a transfer from the Capital Grant Fixed Asset fund of an amount equivalent to the cost of the tangible assets involved. Depreciation charged on those tangible assets is allocated to the fund.
- xviii. The Special Educational Needs (SEN) Fixed Asset fund has been set up to recognise the tangible assets purchased by the trust that have been funded from Special Educational Needs income. This fund has been created by a transfer from the Special Educational Needs fund of an amount equivalent to the cost of the tangible assets involved. Depreciation charged on those tangible assets is allocated to the fund.
- xix. General Funds include income generated from sponsorship, hire of facilities, etc.
- xx. The Cricket Centre fund has been created to recognise the funding received from Surrey County Cricket Club to cover maintenance costs of the Cricket Centre at George Abbot.
- xxi. The Universal Infant Free School meals (UIFSM) fund has been created to recognise the ESFA funding received in order to provide free school meals to all pupils in reception, year 1, and year 2.
- xxii. The Surrey Maths School fund (SuMs) has been created to recognise the funding received from the ESFA which is to be invested in the creation of a new specialist 16-19 maths school in Guildford, in partnership with the University of Surrey.
- xxiii. The Extended Services (designated) fund has been created to recognise the income received in relation to before and after school provision, which is to be spent on the provision of these services to pupils.
- xxiv. The Astroturf (designated) fund has been created to set aside a provision for the future replacement costs of astroturf pitches.
- xxv. The insurance (designated) fund sets aside the income received from insurers in relation to the fire at George Abbot in 2018. These funds have been set aside to cover the fire reinstatement and refurbishment works underway.

GUILDFORD EDUCATION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2019

16.1 Funds – Group (Continued)

- xxvi. The Other grants fund has been created to recognise both government and non-government funding received in relation to the educational activities of the trust.
- xxvii. The Sponsor Capacity fund has been created to recognise the restricted funding received from the DfE to cover the set-up costs associated with the creation and expansion of the multi-academy trust structure.
- xxviii. The Pupil Premium fund has been created to recognise the funding provided by the Department for Education to support disadvantaged pupils.

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

	Balance Brought forward at 1.9.17 £000	Income £000	Expenditure £000	Gains, losses & transfers £000	Balance Carried forward as at 31.8.18 £000
Restricted general funds					
General Annual Grant (i)	-	24,386	(25,231)	845	-
Rates and Insurance fund (ii)	-	121	(121)	-	-
Capital Grants fund (iii)	2,573	-	-	(2,573)	-
SCITT fund (iv)	148	902	(901)	-	149
PE Teacher Release Scheme fund (v)	34	55	(89)	-	-
Special Educational Needs fund (vi)	-	987	(987)	-	-
16 -19 Bursary fund (vii)	44	12	(56)	-	-
Teaching School fund (viii)	430	216	(464)	-	182
East Guildford Confederation fund (ix)	132	156	(189)	-	99
11- 19 Partnership fund (x)	222	138	(209)	-	151
Kings College fund (xi)	131	-	(131)	-	-
Sponsor Capacity fund (xxvii)	11	-	(11)	-	-
Children's Centre Early Years fund* (xii)	-	158	(158)	-	-
Universal Free School Meals (xxi)	-	230	(230)	-	-
Other grants (xxvi)	-	2,826	(2,826)	-	-
Growing Schools fund (xiii)	51	-	(51)	-	-
LGPS deficit fund	(10,224)	-	(1,370)	2,320	(9,274)
- pension reserve (xiv)					
	<u>(6,448)</u>	<u>30,187</u>	<u>(33,024)</u>	<u>592</u>	<u>(8,693)</u>
Restricted fixed asset funds					
Transfer on Conversion (xv)	75,836	-	(2,636)	-	73,200
GAG Fixed Asset fund (xvi)	1,964	-	-	2,573	4,537
Capital Grant fund (xvii)	3,462	2,543	-	-	6,005
SEN Fixed Asset fund (xviii)	6	-	-	-	6
	<u>81,268</u>	<u>2,543</u>	<u>(2,636)</u>	<u>2,573</u>	<u>83,748</u>
Total restricted funds	<u>74,820</u>	<u>32,730</u>	<u>(35,660)</u>	<u>3,165</u>	<u>75,055</u>
Total unrestricted funds (xix)	<u>1,380</u>	<u>1,519</u>	<u>(327)</u>	<u>(845)</u>	<u>1,727</u>
Total funds	<u>76,200</u>	<u>34,249</u>	<u>(35,987)</u>	<u>2,320</u>	<u>76,782</u>

GUILDFORD EDUCATION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2019

16.2 Funds – Academy Trust

	Balance Brought forward at 1.9.18 £000	Income £000	Expenditure £000	Gains, losses & transfers £000	Balance Carried forward as at 31.8.19 £000
Restricted general funds					
General Annual Grant (i)	-	24,807	(24,807)	-	-
Rates and Insurance fund (ii)	-	140	(140)	-	-
Capital Grants fund (iii)	-	-	-	-	-
Pupil Premium (xxviii)	-	976	(976)	-	-
SCITT fund (iv)	149	679	(789)	-	39
PE Teacher Release Scheme fund (v)	-	77	(71)	-	6
Special Educational Needs fund (vi)	-	894	(894)	-	-
16 -19 Bursary fund (vii)	-	29	(24)	-	5
Teaching School fund (viii)	182	576	(560)	-	198
East Guildford Confederation fund (ix)	99	138	(210)	-	27
11- 19 Partnership fund (x)	151	217	(163)	-	205
Kings College fund (xi)	-	-	-	-	-
*Children's Centre Early Years fund (xii)	-	394	(312)	27	109
Universal Free School Meals (xxi)	-	224	(224)	-	-
Other grants (xxvi)	-	772	(1,861)	1,089	-
Growing Schools fund (xiii)	-	147	(147)	-	-
Maths School (xxii)	-	30	(5)	-	25
*Cricket Centre (xx)	-	20	-	27	47
LGPS deficit fund	(9,274)	-	(1,239)	(4,119)	(14,632)
- pension reserve (xiv)					
	(8,693)	30,120	(32,422)	(2,976)	(13,971)
Restricted fixed asset funds					
Transfer on Conversion (xv)	73,200	400	(3,409)	-	70,191
GAG Fixed Asset fund (xvi)	4,537	-	-	-	4,537
Capital Grant fund (xvii)	6,005	325	-	339	6,669
SEN Fixed Asset fund (xviii)	6	-	-	-	6
	83,748	725	(3,409)	339	81,403
Total restricted funds	75,055	30,845	(35,831)	(2,637)	67,432
General funds (xix)	1,540	1,482	(603)	(1,275)	1,144
<i>Designated funds:</i>					
Extended services (xxiii)	10	204	(192)	-	22
Astroturf fund (xxiv)	100	-	(2)	-	98
Insurance fund (xxv)	-	848	(333)	(207)	308
Total unrestricted funds	1,650	2,534	(1,130)	(1,482)	1,572
Total funds	76,705	33,379	(36,961)	(4,119)	69,004

*Children's Centre EY fund and Cricket Centre fund have been reclassified as restricted funds for the current year and brought forward balances have been reclassified from the unrestricted funds brought forward.

GUILDFORD EDUCATION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2019

16.2 Funds – Academy Trust (Continued)

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

	Balance Brought forward at 1.9.17 £000	Income £000	Expenditure £000	Gains, losses & transfers £000	Balance Carried forward as at 31.8.18 £000
Restricted general funds					
General Annual Grant (i)	-	24,386	(25,231)	845	-
Rates and Insurance fund (ii)	-	121	(121)	-	-
Capital Grants fund (iii)	2,573	-	-	(2,573)	-
SCITT fund (iv)	148	902	(901)	-	149
PE Teacher Release Scheme fund (v)	34	55	(89)	-	-
Special Educational Needs fund (vi)	-	987	(987)	-	-
16 -19 Bursary fund (vii)	44	12	(56)	-	-
Teaching School fund (viii)	430	216	(464)	-	182
East Guildford Confederation fund (ix)	132	156	(189)	-	99
11- 19 Partnership fund (x)	222	138	(209)	-	151
Kings College fund (xi)	131	-	(131)	-	-
Sponsor Capacity fund (xxvii)	11	-	(11)	-	-
*Children's Centre Early Years fund (xii)	-	158	(158)	-	-
Universal Free School Meals (xxi)	-	230	(230)	-	-
Other grants (xxvi)	-	2,826	(2,826)	-	-
Growing Schools fund (xiii)	51	-	(51)	-	-
LGPS deficit fund	(10,224)	-	(1,370)	2,320	(9,274)
- pension reserve (xiv)					
	<u>(6,448)</u>	<u>30,187</u>	<u>(33,024)</u>	<u>592</u>	<u>(8,693)</u>
Restricted fixed asset funds					
Transfer on Conversion (xv)	75,836	-	(2,636)	-	73,200
GAG Fixed Asset fund (xvi)	1,964	-	-	2,573	4,537
Capital Grant fund (xvii)	3,462	2,543	-	-	6,005
SEN Fixed Asset fund (xviii)	6	-	-	-	6
	<u>81,268</u>	<u>2,543</u>	<u>(2,636)</u>	<u>2,573</u>	<u>83,748</u>
Total restricted funds	<u>74,820</u>	<u>32,730</u>	<u>(35,660)</u>	<u>3,165</u>	<u>75,055</u>
Total unrestricted funds (xix)	<u>1,380</u>	<u>1,340</u>	<u>(225)</u>	<u>(845)</u>	<u>1,650</u>
Total funds	<u>76,200</u>	<u>34,070</u>	<u>(35,885)</u>	<u>2,320</u>	<u>76,705</u>

GUILDFORD EDUCATION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 AUGUST 2019

16.2 Funds – Academy Trust (Continued)

Total funds analysis by academy

Fund balance at 31 August 2019 were allocated as follows:

	2019	Restated
	2018	
	£000	£000
Boxgrove Primary School	430	409
Fullbrook School	25	39
George Abbot School	1,500	1,508
Guildford Grove Primary School	438	366
Kings College, Guildford	(759)	(629)
Loseley Fields Primary School	502	513
Sandfield Primary School	91	109
Central services	6	(84)
Total before fixed assets and pension reserve	2,233	2,231
Restricted fixed assets fund	81,403	83,748
Pension reserve	(14,632)	(9,274)
Total	69,004	76,705

The prior year figures have been restated to reclassify £2,691k of unspent SCA capital from Central Services to Restricted Fixed Asset Funds, in order to align with the guidance set out in the Academies Accounts Direction.

Kings College, Guildford is carrying a net deficit of £759,049 because of an abatement of GAG payments from the ESFA and in-year shortfall of funds where a good curriculum is offered with low pupil-number funding.

The academy trust is taking the following action to return the academy to surplus: actively engaged with the local authority, ministers and government officials (the ESFA) to improve the financial position of a school.

GUILDFORD EDUCATION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2019

16.2 Funds – Academy Trust (Continued)

Total cost analysis by academy

Expenditure incurred by each academy during the year was as follows:

	Teaching & educational support staff costs £000	Other support staff costs £000	Educational supplies £000	*Other costs £000	Total 2019 £000	Total 2018 £000
Boxgrove Primary School	2,234	213	168	489	3,104	3,488
Fullbrook School	5,702	550	432	1,098	7,782	7,976
George Abbot School	8,028	822	688	2,922	12,460	11,938
Guildford Grove Primary School	2,315	273	78	434	3,100	3,321
Kings College, Guildford	1,711	283	100	529	2,623	2,940
Loseley Fields Primary School	1,506	143	48	305	2,002	1,910
Sandfield Primary School	676	132	40	144	992	1,004
Central services	189	487	65	184	925	774
Total	22,361	2,903	1,619	6,105	32,988	33,351

*Other costs exclude depreciation and provisions for impairment.

GUILDFORD EDUCATION PARTNERSHIP**NOTES TO THE FINANCIAL STATEMENTS (Continued)**
FOR THE YEAR ENDED 31 AUGUST 2019**17 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

Fund balances at 31 August 2019 are represented by:

Group

	Unrestricted funds £000	Restricted general funds £000	Restricted fixed asset funds £000	Total funds £000
Tangible fixed assets	-	-	80,257	80,257
Current assets	1,671	3,343	1,146	6,160
Creditors due within one year	-	(2,682)	-	(2,682)
Creditors due after one year	-	-	-	-
Pension scheme liability	-	(14,632)	-	(14,632)
	1,671	(13,971)	81,403	69,103

Academy Trust

	Unrestricted funds £000	Restricted general funds £000	Restricted fixed asset funds £000	Total funds £000
Tangible fixed assets	-	-	80,257	80,257
Current assets	1,572	3,404	1,146	6,122
Creditors due within one year	-	(2,743)	-	(2,743)
Creditors due after one year	-	-	-	-
Pension scheme liability	-	(14,632)	-	(14,632)
	1,572	(13,971)	81,403	69,004

GUILDFORD EDUCATION PARTNERSHIP**NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2019****17 ANALYSIS OF NET ASSETS BETWEEN FUNDS (Continued)**

Fund balances at 31 August 2018 are represented by:

Group

	Unrestricted funds £000	Restricted general funds £000	Restricted fixed asset funds £000	Total funds £000
Tangible fixed assets	-	-	81,057	81,057
Current assets	1,727	2,297	2,691	6,715
Creditors due within one year	-	(1,709)	-	(1,709)
Creditors due after one year	-	(7)	-	(7)
Pension scheme liability	-	(9,274)	-	(9,274)
	1,727	(8,693)	83,748	76,782

Academy Trust

	Unrestricted funds £000	Restricted general funds £000	Restricted fixed asset funds £000	Total funds £000
Tangible fixed assets	-	-	81,057	81,057
Current assets	1,650	2,367	2,691	6,708
Creditors due within one year	-	(1,779)	-	(1,779)
Creditors due after one year	-	(7)	-	(7)
Pension scheme liability	-	(9,274)	-	(9,274)
	1,650	(8,693)	83,748	76,705

18 CAPITAL COMMITMENTS

	2019 £000	2018 £000
Contracted for, but not provided in the financial statements	587	209
	587	209

At the balance sheet date, the trust had capital commitments of £587,069 (2018: £208,667) relating to school refurbishment and improvement works at Guildford Grove, Fullbrook School and Sandfield, alongside the reinstatement works underway at George Abbot to repair damage caused by fire.

19 COMMITMENTS UNDER OPERATING LEASES

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

	2019 £000	2018 £000
Amounts due within one year	29	14
Amounts due between one and five years	33	56
Amounts due after five years	-	-
	62	70

GUILDFORD EDUCATION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2019

20 RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019 £000	2018 £000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(3,560)	(1,738)
Adjusted for:		
Depreciation	2,852	2,636
Provision for impairment	497	-
Losses on disposal of fixed assets	60	-
Capital grants from DfE and other capital income	(325)	(2,543)
Interest receivable (note 6)	(7)	(3)
Defined benefit pension scheme cost less contributions payable (note 25)	967	1,101
Defined benefit pension scheme finance cost (note 25)	272	269
(Increase)/decrease in debtors	(232)	325
Increase/(decrease) in creditors	979	(2,093)
Net cash provided by / (used in) operating activities	1,503	(2,046)

21 CASH FLOWS FROM FINANCING ACTIVITIES

	2019 £000	2018 £000
Repayments of borrowing	(13)	(28)
Net cash provided by / (used in) financing activities	(13)	(28)

22 CASH FLOWS FROM INVESTING ACTIVITIES

	2019 £000	2018 £000
Dividends, interest and rents from investments	7	3
Purchase of tangible fixed assets	(2,609)	(2,426)
Capital grants from DfE/ESFA	325	2,543
Net cash provided by / (used in) investing activities	(2,277)	121

23 ANALYSIS OF CASH AND CASH EQUIVALENTS

	2019 £000	2018 £000
Cash in hand and at bank	5,017	5,804
Total cash and cash equivalents	5,017	5,804

24 MEMBERS' LIABILITY

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2019

25 PENSION AND SIMILAR OBLIGATIONS

The academy trust's employees belong to two principal pension schemes:

- Teacher's Pension Scheme England and Wales (TPS) for academic and related staff; and
- Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Surrey County Council.

Both are multi-employer defined benefit schemes.

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

Contributions amounting to £258,852 were payable to the schemes at 31 August 2019 (2018: £298,372) and are included within creditors.

25.1 Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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 (as amended) 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 (as amended). 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 will increase from 16.48% to 23.68% of pensionable pay from September 2019 (including a 0.08% employer administration charge);
- Total scheme liabilities (pension currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million;
- An employee cost cap of 10.9% of pensionable pay has been paused following the court of appeal ruling in December 2018 relating to the transitional protection offered to members in the 2015 pension reforms; and
- The assumed real rate of return is 2.8% until 2019 and then 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return is 4.86% until 2019 then 4.45%.

The pension costs paid to TPS in the period amount to £1,920,429 (2018: £1,946,460).

A copy of the valuation report and supporting documentation is available on the Teachers' Pension website (www.teacherspensions.co.uk).

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2019

Valuation of the Teachers' Pension Scheme (Continued)

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

25.2 Local Government Pension Scheme

Introduction

The Local Government Pension Scheme (LGPS) obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 2019 was £1,681,000 (2018: £1,575,000), of which employer's contributions totalled £1,334,000 (2018: £1,341,000) and employees' contributions totalled £347,000 (2018: £334,000).

The agreed contribution rates for future years are between 23.5% for employers and between 5.5% and 12.5% for employees.

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

Principal actuarial assumptions

	At 31 August 2019	At 31 August 2018
Rate of increase in salaries	2.6%	2.7%
Rate of increase for pensions in payment/inflation	2.3%	2.4%
Discount rate	1.8%	2.7%
Inflation-CPI	2.3%	2.4%

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

	At 31 August 2019	At 31 August 2018
Retiring today		
Males	21.6	22.5
Females	23.6	24.6
Retiring in 20 years		
Males	22.5	24.1
Females	25.0	26.4

Sensitivity analysis

	At 31 August 2019 £000	At 31 August 2018 £000
0.5% decrease in Real Discount Rate	4,103	3,058
0.5% increase in Salary Increase Rate	517	446
0.5% increase in the Pension Increase Rate (CPI)	3,510	2,577

GUILDFORD EDUCATION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2019

Principal actuarial assumptions (Continued)

The academy trust's share of the assets in the scheme and the expected rates of return were:

	Fair value at 31 August 2019 £000	Fair value at 31 August 2018 £000
Equities instruments	13,236	11,633
Debt instruments	3,356	2,747
Property	1,491	1,131
Cash	559	646
Total market value of assets	18,642	16,157
Present value of scheme liabilities	(33,274)	(25,431)
(Deficit)/surplus in the scheme	(14,632)	(9,274)

The actual return on the scheme assets was £652,000 (2018: £366,000).

The amount recognised in the Statement of Financial Activities is as follows:

	31 August 2019 £000	31 August 2018 £000
Current service cost (net of employer contributions)	967	1,101
Net interest cost	272	269
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	-	-
Total operating charge	1,239	1,370

The actuarial gains and losses for the current period are recognised in the Statement of Financial Activities. The cumulative amount of actuarial losses recognised in the Statement of Financial Activities is £4,119,000 (2018: £2,320,000 gain).

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

	2019 £000	2018 £000
At 1 September	25,431	24,150
Upon conversion	-	-
Current service cost	2,301	2,442
Interest cost	743	635
Employee contributions	347	344
Actuarial (gain)/loss	4,731	(1,900)
Benefits paid	(279)	(240)
At 31 August	33,274	25,431

GUILDFORD EDUCATION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 AUGUST 2019

Principal actuarial assumptions (Continued)

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

	2019 £000	2018 £000
At 1 September	16,157	13,926
Upon conversion	-	-
Interest income	471	366
Return on plan assets (excluding net interest on the net defined pension liability)	612	420
Employer contributions	1,334	1,341
Employee contributions	347	344
Benefits paid	(279)	(240)
At 31 August	18,642	16,157

26 RELATED PARTY TRANSACTIONS

Owing to the nature of the academy trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The following related party transactions took place in the financial period:

Expenditure related party transactions:

The Key Support Services Limited – a company in which F Roche (trustee) was CEO, with a minority shareholding.

- The Academy Trust purchased information support services from The Key Ltd totalling £Nil (2018: £21,516) during the period. There were no amounts outstanding at 31 August 2019 (2018: £Nil).
- The Academy Trust made the purchase at arms' length following a competitive tendering exercise in accordance with its financial regulations, which F Roche neither participated in, nor influenced.
- In entering into the transaction, the Academy Trust has complied with the requirements of the Academies Financial Handbook 2018.
- The element above £2,500 has been provided 'at no more than cost' and The Key Support Services Limited has provided a statement of assurance confirming this.

GUILDFORD EDUCATION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 AUGUST 2019

26 RELATED PARTY TRANSACTIONS (Continued)

McShane Construction Limited – a company in which W McShane (governor) is a director and the husband of J McShane (governor).

- The Academy Trust purchased building improvement services from McShane Construction Limited totalling £32,681 (2018: £600) during the period. There was £12,018 outstanding at 31 August 2019 (2018: £1,968).
- The Academy Trust made these purchases at arms' length, in accordance with its financial regulations, with a competitive tendering exercise in summer 2019, which W McShane and J McShane neither participated in, nor influenced, totalling £31,615 on completion.
- This transaction was not reported to the ESFA for approval prior to being commissioned due to local management error. Upon internal discovery of this error, retrospective approval was applied for - a response is still outstanding. In entering into the transaction, the Academy Trust has therefore not complied with the requirements of the Academies Financial Handbook 2018.
- This transaction was not subject to the 'at cost' or 'open book' arrangement for related party transactions.

AET Education Consultancy Limited – a company in which A Turner (governor; trustee) is a director.

- The Academy Trust purchased education improvement services from AET Education Consultancy Limited totalling £1,800 (2018: £600) during the period. There was £Nil outstanding at 31 August 2019 (2018: £Nil).
- In 2018, one school within the trust procured school improvement services of AET Education Consultancy where the director A Turner, was a governor at the time in another school in the Academy Trust. This transaction was procured at arms' length in accordance with the trust's finance policy, prior to A Turner being appointed a trustee and was not notifiable to the ESFA as it concluded prior to 1st April 2019.
- As A Turner was not a trustee at the time, the 'at cost' regulations do not apply.

EH9 Consultancy Limited – a company in which K Moore (headteacher; governor ex officio), is wife to the director.

- The Academy Trust purchased HR consulting services from EH9 Consultancy Limited totalling £150 (2018: £Nil) during the period. There was £Nil outstanding at 31 August 2019 (2018: £Nil).
- The Academy Trust made this purchase at arms' length, in accordance with its financial regulations, which K Moore neither participated in, nor influenced.
- This transaction was not subject to the 'at cost' or 'open book' arrangement for related party transactions.

Strictly Education 4S Limited (formerly Babcock 4S Limited) – a company in which F Roche (trustee) serves on the Board in an advisory capacity.

- The academy trust purchased professional support services and training from Strictly/Babcock, throughout the year totalling £104,422 (2018: £141,720). There was £2,468 outstanding at 31 August 2019 (2018: £787).
- All of these transactions were commissioned prior to the party becoming related, therefore ESFA notification was not required and 'at cost' or 'open book' arrangements were not applicable.

GUILDFORD EDUCATION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (Continued) FOR THE YEAR ENDED 31 AUGUST 2019

27 AGENCY ARRANGEMENTS

The academy trust distributes 16-19 Bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2019 the academy trust received £29,000 and disbursed £24,000 from the fund. An amount of £5,000 is included in restricted general funds relating to undistributed funds that is repayable to ESFA. Comparatives for the accounting period ending 31 August 2018 are £12,000 received, £56,000 disbursed and £Nil included in restricted general funds.

28 RESULTS OF THE ACADEMY TRUST

The academy trust, the parent company, had total incoming resources of £33,379,000 (2018: £34,070,000), total resources expended £36,961,000 (2018: £35,885,000), and an actuarial loss on its defined benefit pension scheme of £4,119,000 (2018: £2,320,000 - gain) for the year. Funds carried forward were £69,004,000 (2018: £76,705,000).

GUILDFORD EDUCATION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2019

29 TEACHING SCHOOL TRADING ACCOUNT

	2019 £000	2019 £000	2018 £000	2018 £000
Income				
Direct income	487		199	
Other income	<u>89</u>		<u>17</u>	
Total income		576		216
Expenditure				
<i>Direct expenditure:</i>				
Direct staff costs	34		80	
Staff development	-		51	
Other direct costs	<u>460</u>		<u>-</u>	
	494		131	
<i>Other costs:</i>				
Support staff costs	36		36	
Recruitment & support	-		-	
Other support costs	30		11	
Share of governance costs	<u>-</u>		<u>1</u>	
	66		48	
Total expenditure		(560)		(179)
Surplus		16		37
Surplus b/f at 1 September		183		146
Surplus c/f at 31 August		199		183

An adjustment of £285k was made to the Teaching School expenditure within the Statement of Financial Activities for the year ending 31 August 2018, increasing expenditure from £179k to £464k. This adjustment was made to correct historic differences in the fund balance reported within note 16: Funds.

GUILDFORD EDUCATION PARTNERSHIP

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 31 AUGUST 2019

30 SCITT TRADING ACCOUNT

	2019	2019	2018	2018
	£000	£000	£000	£000
Income				
Direct income	512		901	
Other income	<u>167</u>		<u>-</u>	
Total income		679		901
Expenditure				
<i>Direct expenditure:</i>				
Direct staff costs	192		235	
Payments to schools & trainees	99		202	
Staff development	1		-	
Other direct costs	<u>399</u>		<u>276</u>	
	691		713	
<i>Other costs:</i>				
Support staff costs	77		25	
Recruitment & support	-		36	
Other support costs	16		12	
Technology costs	3		-	
Share of governance costs	<u>2</u>		<u>1</u>	
	98		74	
Total expenditure		(789)		(787)
(Deficit)/surplus		(110)		114
Surplus b/f at 1 September		149		99
Less: Bursaries		<u>-</u>		<u>(64)</u>
Surplus c/f at 31 August		<u>39</u>		<u>149</u>