

Charity Registration Number 1103352
Company Registration Number 5017884

FRIENDS OF THE MARLOWE ACADEMY
(a company limited by guarantee)

TRUSTEES' REPORT AND ACCOUNTS

YEAR ENDED 31 JANUARY 2007

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**FRIENDS OF THE MARLOWE ACADEMY
LEGAL AND ADMINISTRATIVE INFORMATION**

Trustees

R De Haan CBE DL (chairman)
G Badman

Secretary

R Fraser

Registered and Principal office

Strand House
125 Sandgate High Street
Folkestone CT20 3BZ

Solicitors

Withers LLP
16 Old Bailey
London EC4M 7EG

Bankers

National Westminster Bank plc
37 Old Dover Road
Canterbury CT1 3JB

Auditors

Baker Tilly UK Audit LLP
18 Mount Ephraim Road
Tunbridge Wells TN1 1ED

FRIENDS OF THE MARLOWE ACADEMY REPORT OF THE TRUSTEES

The Trustees of the Friends of the Marlowe Academy, who are also the directors of the company, present their audited financial statements for the year ended 31 January 2007. The Trustees have adopted the provisions of Statement of Recommended Practice (Revised 2005) "Accounting and Reporting by Charities" in preparing this report and financial statements.

Constitution and Principal Objectives

The Friends of the Marlowe Academy, a company limited by guarantee and a registered charity, was established on 16 January 2004 (company number 5017884, charity number 1103352). The company's memorandum and articles of association are the primary governing documents. During the present early stages of the charity's development the trustees meet as often as is required to take decisions affecting the operation of the charity. As the charity has no staff, all decisions related to the operation of the charity are taken by the trustees.

The objects of the company are to advance for the public benefit, education in the United Kingdom including support of the aims and objectives of the Marlowe and Folkestone Academies, the relief of unemployment, the provision of facilities in the interest of social welfare, for recreation and other leisure time occupation.

Trustees

Trustees are appointed by the recommendation of the existing trustees, subject to the approval of a member of the company. New trustees, when appointed, will be provided with an information pack including the latest accounts and the Memorandum and Articles of Association and will be afforded the opportunity to undertake site visits to the premises of beneficiaries, such as Marlowe and Folkestone Academies. The following are the trustees of the charity:

R De Haan
G Badman

G Badman retires by rotation and, being eligible, a resolution proposing his re-appointment will be submitted at the AGM.

R De Haan is a member of the company but holds no beneficial interest therein.

Although no specific trustee training programmes exist, both trustees continue to have considerable exposure to educational and charitable matters either through their principal occupation and/or involvement in other charitable institutions.

FRIENDS OF THE MARLOWE ACADEMY REPORT OF THE TRUSTEES (CONTINUED)

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 £1, for the debts and liabilities contracted before he/she ceases to be a member

Reserves Policy

The policy of the trustees is to maintain a level of reserves that will be adequate to provide a stable base for the continuing operation of the charity whilst ensuring that excessive funds are not accumulated. The trustees are satisfied that the company's reserves are sufficient for its current purposes. The reserves as at 31 January 2007 amounted to £762,000. All reserves are unrestricted.

Investment Policy

The company's policy is to invest surplus funds in low risk, liquid bank deposits.

Grant Making Policy

The charity's policy is to make grants in support of education in the UK, the relief of unemployment, the provision of facilities in the interests of social welfare, for recreation and other leisure-time occupation, with the object of improving conditions of life, in particular for the inhabitants of South East Kent. In particular, grants will be made in support of the aims, objects, activities and enterprises of the Marlowe and Folkestone Academies.

Operating and Financial Review

During the year the charity received a donation of £10,000 from the Roger De Haan Charitable Trust and a further £2,000 from News International. The trustees would like to place on record their appreciation of the support provided.

Roger De Haan has continued to provide assistance in arranging the provision of accounting and administrative support to the charity for which no charge has been made.

No donations were made during the year, primarily because the charity's initial activity is likely to be connected to the Marlowe and Folkestone Academies in Ramsgate and Folkestone respectively. The new Marlowe Academy school building opened only recently, in September 2006, with Folkestone following in September 2007. Both schools are registered charities.

Looking ahead, the trustees will continue to work closely with Folkestone and Marlowe Academies with a view to considering the ways in which the charity can assist the schools in achieving their own charitable objectives.

FRIENDS OF THE MARLOWE ACADEMY REPORT OF THE TRUSTEES (CONTINUED)

Risk Management

The trustees have examined the major strategic, business and operational risks which the charity faces and have put in place systems, policies, procedures and controls in order to manage and mitigate these risks. Where appropriate, the trustees will act only after taking appropriate professional advice.

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the trustees are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and estimates that are reasonable and prudent,
- c prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the requirements of the Companies Act 1985. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to Disclosure of Information to Auditor

The trustees who were in office as at the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant information of which the auditor is unaware. The trustees have confirmed that they have taken all steps that they ought to have taken as trustees to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

**FRIENDS OF THE MARLOWE ACADEMY
REPORT OF THE TRUSTEES (CONTINUED)**

Auditor

The trustees, having been notified of the cessation of the partnership known as Baker Tilly, resolved that Baker Tilly UK Audit LLP be appointed as successor auditor with effect from 1 April 2007, in accordance with the provisions of the Companies Act 1989 s26(5) Baker Tilly UK Audit LLP has indicated its willingness to continue in office as auditor and a resolution proposing its re-appointment will be put to the Annual General Meeting

The report of the trustees was approved by the trustees on 20 September 2007 and signed on their behalf by

A handwritten signature in black ink, appearing to read 'R De Haan', with a large loop at the start and a long horizontal stroke at the end.

Roger De Haan
Chairman of the Trustees

20 September 2007.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRIENDS OF THE MARLOWE ACADEMY

We have audited the financial statements on pages 6 to 10

This report is made solely to the charitable company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Trustees and the auditor

The responsibilities of the Trustees (who are also the directors of Friends of the Marlowe Academy for the purposes of company law) for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Report of the Trustees.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the Trustees' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charitable company is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 January 2007 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985
- the information given in the Trustees' Report is consistent with the financial statements

Baker Tilly UK Audit LLP

27 September 2007

Baker Tilly UK Audit LLP
Registered Auditor
Hanover House
18 Mount Ephraim Road
Tunbridge Wells
Kent
TN1 1ED

FRIENDS OF THE MARLOWE ACADEMY
STATEMENT OF FINANCIAL ACTIVITIES (Including Income & Expenditure Account)
YEAR ENDED 31 JANUARY 2007

		2006/07	2005/06
		Unrestricted	Unrestricted
		Funds	Funds
		£'000	£'000
Incoming resources			
Incoming resources from generated funds	Note		
Voluntary income-donations received			
Pfizer		-	130
Roger De Haan Charitable Trust		10	-
News International		2	-
		<u>12</u>	<u>130</u>
Investment income	4	31	23
Total incoming resources		<u>43</u>	<u>153</u>
Resources expended			
Cost of generating funds		-	-
Charitable activities		8	-
Governance costs	5	1	1
Othe resources expended		-	-
Total resources expended		<u>9</u>	<u>1</u>
Net movement in funds for the year	3	34	152
Balance at 31 January 2006		728	576
Balance at 31 January 2007		<u>762</u>	<u>728</u>

All operations are classed as continuing

FRIENDS OF THE MARLOWE ACADEMY
BALANCE SHEET
31 JANUARY 2007

	Note	31 January 2007 £'000	31 January 2006 £'000
Current assets			
Debtors-interest receivable		8	2
Cash at bank and in hand		<u>755</u>	<u>727</u>
		763	729
Creditors: amounts falling due within one year	7	<u>1</u>	<u>1</u>
Net current assets		762	728
Total assets less current liabilities		<u>762</u>	<u>728</u>
Funds			
Unrestricted fund		<u>762</u>	<u>728</u>

The financial statements were approved and authorised for issue by the Trustees on 20 September 2007 and were signed on their behalf by



Roger De Haan
Trustee

FRIENDS OF THE MARLOWE ACADEMY
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 JANUARY 2007

	Notes	2006/07 £'000	2005/06 £'000
Cash inflow from operating activities			
Receipts			
Donations received		12	130
Payments			
Charitable activities		(8)	
Governance costs		(1)	(1)
Net cash inflow from operating activities		<u>3</u>	<u>129</u>
Returns on investments and servicing of finance			
Investment income		25	21
Increase in cash in year	(a)	<u>28</u>	<u>150</u>

(a) Analysis of changes in cash

	At 31 January 2006 £'000	Cash Flows £'000	At 31 January 2007 £'000
Cash at bank and in hand	<u>727</u>	<u>28</u>	<u>755</u>

**FRIENDS OF THE MARLOWE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2007**

1 Accounting policies

The financial statements have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice (Revised 2005) "Accounting and Reporting by Charities" and the Charities Act 1993

Accounting convention

The financial statements have been prepared under the historical cost convention

Grants Receivable

Grants receivable are included in the accounts on an accruals basis

Investment Income and Interest Receivable

Investment income and interest receivable are included in the statement of financial activities on an accruals basis

Resources Expended

Resources expended are accounted for on an accruals basis

Restricted Funds

All funds are unrestricted

Governance Costs

Governance costs comprise of expenditure incurred in the general running of the charity and compliance with constitutional and statutory requirements

2 Taxation

As a registered charity, the company is not subject to taxation as it does not trade for tax purposes

3 Net Movement in Funds

Net movement in funds is stated after charging.

	2007	2006
	£'000	£'000
Audit fee	<u>1</u>	<u>1</u>

**FRIENDS OF THE MARLOWE ACADEMY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2007**

4 Investment Income

	2007	2006
	£'000	£'000
Bank interest received	31	23

5 Governance Costs

	2007	2006
	£'000	£'000
Audit	1	1

6 Staff Costs

No staff were employed during the year and no trustee received remuneration or expenses

7 Creditors-amounts falling due within one year

	2007	2006
	£'000	£'000
Accruals	1	1

8 Transactions With Related Parties

An employee of Roger De Haan continued to provide administrative and accounting support to the charity for which no charge was made. Roger De Haan is chairman of the Roger De Haan Charitable Trust which made a donation of £10,000 to the Friends of the Marlowe Academy during the year.