

Registration number: 07713374  
(England and Wales)

# St Ives Infant School

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2019

Walker Moyle Ltd  
Alverton Pavilion  
Trewithen Road  
Penzance  
Cornwall  
TR18 4LS

# St Ives Infant School

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# St Ives Infant School

## Reference and Administrative Details

<b>Members</b>	C Whelan (resigned 25 July 2019) D Stevens C Burdett E Short L Phillips
<b>Governors and Trustees (Directors)</b>	C Whelan (resigned 25 July 2019) J Dean, (Principal and Accounting Officer) (resigned 25 July 2019) D Stevens N Merrill L Paxton H Carver E Short C Burdett C Nicholls L Phillips (appointed 6 December 2018) L Farrar, (Principal and Accounting Officer) (appointed 1 September 2019) L Pulley (appointed 6 December 2018)
<b>Principal</b>	L Farrar
<b>Senior Management Team</b>	J Dean, Principal L Farrar, Principal D Sharma-Benjamin, Deputy Head L Saunders, Early Years Leader
<b>Principal and Registered Office</b>	Trenwith Burrows St Ives Cornwall TR26 1DH
<b>Company Registration Number</b>	07713374
<b>Auditors</b>	Walker Moyle Ltd Alverton Pavillion Trewithen Road Penzance Cornwall TR18 4LS
<b>Bankers</b>	The Co-operative Bank PO BOX 250 Skelmersdale WN8 6WT  Barclays Bank Penzance Branch 8/9 Market Jew Street Penzance Cornwall TR18 2TW

# St Ives Infant School

## Trustees' Report for the Year Ended 31 August 2019

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

The academy trust operates a nursery and infant school for pupils aged 3-7 serving a catchment area of St Ives, Cornwall. It has a pupil capacity of 180 and had a roll of 167 in the October 2019 census.

### **Structure, governance and management**

#### ***Constitution***

The Academy Trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The trustees of St Ives Infant School Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as St Ives Infant School.

The company registration number is 07713374.

Details of the trustees who served throughout the year, and to the date these accounts are approved are included in the Reference and Administrative Details on Page 1.

#### ***Members' liability***

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

#### ***Trustees' indemnities***

The academy trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Trustees.

#### ***Method of recruitment and appointment or election of Trustees***

The first governors are those persons named in the statement delivered pursuant to sections 9 and 12 of the Companies Act 2006.

Other governors are appointed as follows:

- a) By members- The members may appoint up to 15 governors. They can appoint staff governors through such process as they may determine, provided that the total number of governors (including the Principal) who are employed by the academy trust does not exceed one-third of the total number of governors.
- b) Local Authority - The Local Authority may appoint the Local Authority Governor.
- c) Ex Officio Governor - Shall be the principal.
- d) By parents - The parent governors shall be elected by parents of registered pupils at the Academy. A parent governor must be a parent of a pupil at the Academy at the time when elected. There should be a minimum of 2 parent governors.
- e) Governing body - Can appoint parent governors if the number of parents standing for election is less than the number of vacancies.
- f) The Governors - The governors may appoint up to 3 co-opted governors. The governors may not co-opt an employee of the academy trust as a co-opted governor if the number of governors who are employed by the Academy Trust would exceed one-third (including the Principal).

## St Ives Infant School

### Trustees' Report for the Year Ended 31 August 2019 (continued)

g) The Secretary of State - May appoint Additional Governors in the following circumstances:

i. If the governors have received a warning notice and the governors have failed to comply with the notice to the Secretary of State's satisfaction within the compliance period.

ii. Where following an Inspection by the Chief Inspector in accordance with the Education Act 2005 (an "Inspection") the academy trust receives an Ofsted grading (being a grade referred to in the Framework for School Inspection or any modification or replacement of that document for the time being in force) which amounts to a drop, either from one Inspection to the next Inspection or between any two Inspections carried out within a 5 year period, of two Ofsted grades. For the purposes of the foregoing the grade received by St Ives Infant School shall be regarded as the grade received by the Academy.

iii. The Secretary of State may also appoint such Further Governors as he thinks fit if a Special Measures Termination Event (as defined in the Funding Agreement) occurs in respect of the Academy.

Within 5 days of the Secretary of State appointing any Additional or Further Governors, any governors appointed under Article 50 of the Memorandum and Articles of Association and holding office immediately preceding the appointment of such governors, shall resign immediately and the Members' power to appoint governors under Article 50 shall remain suspended until the Secretary of State removes one or more of the Additional or Further Governors.

The term of office for any governor except the Principal shall be 4 years. Subject to remaining eligible to be a particular type of governor, any governor may be reappointed or re-elected.

#### ***Policies and procedures adopted for the induction and training of Trustees***

All governors are related to the Academy in some way and are therefore familiar with the Academy. All governors have the opportunity to go on training courses and receive guidance and training from existing governors.

#### ***Organisational structure***

The decisions relating to the running of the Academy are made by the Board of Governors, who meet on a regular basis. Academy policies and recommendations for future action can be put to the Board of Governors by any governor. Although the majority of the recommendations are by the governors employed by the Academy, the day to day running of the Academy is delegated to the Principal. The Vice Principal, Chair and Vice Chair support the Principal in the day to day management of the Academy.

#### ***Arrangements for setting pay and remuneration of key management personnel***

The school's key management personnel during 2018 – 2019 were the headteacher, Joanne Dean, and the deputy headteacher, Devinder Sharma-Benjamin. Their pay is determined at their annual performance management review. The headteacher conducts the deputy head's review and a panel of governors conduct the headteacher's review. The school abides by the national pay scales and progression on the leadership scale, within their set range, is determined following this review of their performance.

# St Ives Infant School

## Trustees' Report for the Year Ended 31 August 2019 (continued)

### ***Risk management***

The governors have assessed the major risks to which the Academy is exposed, in particular relating to the Academy's system of internal control. This incorporates risk management and encompasses a number of elements that together facilitate an effective and efficient operation. This enables the Academy to respond to a variety of operational, financial and commercial risks.

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

- Comprehensive budgeting and monitoring systems with an annual budget and monthly management accounts which indicate financial performance against the forecasts and which are reviewed by the Finance and Premises Committee.
- Regular reviews by the finance and general purposes committee of major purchase plans, capital works and expenditure programmes.
- Delegation of authority and segregation of duties.
- Identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided: to appoint Walker Moyle to complete two internal audits each year and Gilly Lunt, a volunteer and former trustee, to carry out an additional two internal audits each year.

### ***Connected organisations, including related party relationships***

All of the governors are related parties of the academy. Full details of related party transactions are included at Note 22 to the accounts.

### **Objectives and activities**

#### **Objects and aims**

The object of the Academy is 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 a school offering a broad and balanced curriculum.

The Academy's motto is 'Setting Sail for New Horizons'.

For every child to set out confidently on the adventure of learning: curious about the world, excited about their future, positive about their ability and caring towards other people.

The Academy's aims are:

Curious about the world

- To promote awareness and understanding of other cultures
- To develop the children's motivation, discovering their special interests and talents
- To introduce the children to a wide range of new experiences, ideas and activities
- To encourage the child to ask questions about the work, talk about their ideas and express their opinions

Excited about their future

- To make children excited about learning and eager to move on to the next stage of their education
- To help children to look beyond their immediate surroundings and their own personal experiences
- To shape a curriculum which will develop the knowledge and skills which the children will need to meet the challenges of their future lives
- To involve children in problem solving and develop their capacity to be active citizens

## **St Ives Infant School**

### **Trustees' Report for the Year Ended 31 August 2019 (continued)**

Positive of their ability

- To help children to reach the highest levels of achievement in all they do
- To demonstrate to all the children that they are able to learn
- To provide the highest quality of teaching for all children
- To develop the children's awareness of their own learning and the value of perseverance and dedication in their learning
- To identify and strive to meet the children's Special Educational Needs

Caring of other people

- To develop sensitivity to the feelings and concerns of other people
- To demonstrate compassion and respect for other people
- To develop the children's moral understanding
- To learn how to co-operate and work with other people

#### **Objectives, strategies and activities**

To ensure that the staff and governors work towards the school's current school improvement priorities.

Our current priorities are:

- Reading

To foster the children's love of reading and enable them to acquire the reading skills required to demonstrate the expected level at the end of Year 2.

- Outdoor Education

To make the most effective use of the school's outdoor environment to support the children's learning and development.

- Spelling

To increase the percentage of children who are working at the expected level in spelling (and therefore writing) at the end of Year 2.

#### **Public benefit**

The Trustees have complied with the duty in Section 17 of the 2011 Charities Act to have due regard to the public benefit guidance published by the Charity Commission.

The Academy provides educational services to children in the local area. Applications for school places are welcome from any family, regardless of where they live and the school does not have a defined catchment area. However proximity to the school is used as the main criteria if a year group is over-subscribed, once places have been allocated to children in care or with a statement of special educational need.

The education provided directly benefits the children and indirectly benefits their families and the wider community in which they are growing up.

A large majority of children who attend the school live in the town of St Ives and within walking distance of the school. The community is predominantly white Cornish or white British and 49% of children live within the 20-30% most deprived areas in the country. 21% of children are currently eligible for pupil premium funding as they receive free school meals (or have done in recent years), are in care or have a parent in the armed services. The educational services provided by the school therefore benefit many children who would be identified as disadvantaged.

# St Ives Infant School

## Trustees' Report for the Year Ended 31 August 2019 (continued)

### Strategic Report

#### Achievements and performance

##### Year 2

% National results in brackets	Expected or higher	Greater depth	Expected or higher	Greater depth
	2019	2019	2018	2018
Reading	65 (75)	19 (25)	71 (75)	33 (26)
Writing	67 (69)	12 (15)	69 (70)	18 (16)
Maths	74 (76)	14 (22)	73 (76)	22 (22)

Compared with 2018, the schools results at the expected level or above have decreased in all except Maths, with reading being the furthest from national.

At greater depth, the schools results have also decreased, falling below national this year. The greatest gap is in Maths.

Priorities for this year are to ensure there is progression and sequencing of key skills and knowledge throughout the school. A review of our assessment procedures are planned along with moderation with other schools to ensure we are outward looking. Regular pupil progress meetings will closely monitor the progress of all individuals and key groups. We will focus on raising the profile of reading and reviewing our procedures for teaching R, W and M.

##### Reception

The percentage of children who achieved a Good Level of Development has slightly fallen this year to 66% from 67.3% in 2018.

Our priorities in EYFS are progressive teaching from Nursery to Reception and ensuring children are ready for the next stage in their education, with a key focus on developing independence.

#### Key financial performance indicators

	Unit	2019	2018
General Annual Grant (GAG) received	£	631,542.00	669,222.00
Unrestricted reserves	£	36,870.00	71,929.00

The key financial performance indicator for the Academy is adherence to the financial budget set at the beginning of the year, taking into consideration the expected levels of government funding. The position against the budget is then reviewed throughout the year.

##### Going concern

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

##### Fundraising

£3,000 donation for outdoor equipment.



# St Ives Infant School

## Trustees' Report for the Year Ended 31 August 2019 (continued)

### Strategic Report

#### Financial review

In accordance with the Funding Agreement, the principal source of general funding with which to finance the operations of the Academy Trust is the Department for Education.

The Academy also receives funding from the Local Authority (Cornwall Council) including nursery funding for 3/4 year olds.

As shown by the Statement of Financial Activities the Academy Trust had net expenses for the year of £35,059 on unrestricted funds and net expenses for the year on restricted general funds of £39,140, before transfers and actuarial gains on the defined benefit pension scheme.

The Academy Trust held fund balances at 31 August 2019 of £1,072K comprising £1,401K of restricted funds, £37K of unrestricted funds and a pension reserve deficit of £366K.

#### Financial and risk management objectives and policies

The Governors examine the financial position of the Academy each term.

In respect of bank balances the liquidity risk is managed by a continual review of the balance and the forecast expenditure compared to actual expenditure, to ensure that the account never goes overdrawn and all liabilities are met.

#### Reserves policy

All restricted reserves relate to income received with conditions regarding expenditure. The pension deficit of £366K (2018: £207K) represents the deficit on the Local Government Pension Scheme. The deficit on the pension scheme would generally result in a cash flow effect for the academy trust in the form of an increase in employers' pension contributions over a period of years. However on the basis that increased pension contributions should generally be met from the academy trust's budgeted annual income, whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund, or direct impact on the free reserves of the academy trust because of recognising the deficit. The level of free, unrestricted reserves at the 31 August 2019 is £20,791 (2018: £51,519).

The trustees consider that the school's unrestricted reserves should be around 5% of its GAG funding.

#### Investment policy

The Academy retains surplus funds in its bank accounts. The Board of Governors monitor the type of bank accounts held and decide to either close or open additional accounts if necessary.

The governors have the power to invest any funds of the Academy not immediately required for the furtherance of its objects, but to invest only after obtaining such advice from a financial expert as the governors consider necessary and having regard to the suitability of investments and the need for diversification.

# St Ives Infant School

## Trustees' Report for the Year Ended 31 August 2019 (continued)

### Strategic Report

#### Principal risks and uncertainties

The main risks facing the school are:

- Uncertainty about future funding levels due to changes in the funding formula and government priorities.

The school will ensure that it remains up to date with information about the formula as it is released by the government. Reserves will be maintained at an appropriate level to give some initial protection pending savings being made if required.

- Fall in the NOR resulting in insufficient income to fund the current staffing levels.

The school monitors future numbers carefully using evidence from Cornwall Council birth rates and predictions of school age children. We need to monitor this carefully and make changes to our staffing if necessary.

The school will work with external agencies such as the ESFA and finance specialists to ensure financial procedures are as efficient as possible securing financial security moving forward into potentially vulnerable years.

#### Plans for future periods

- To review our Setting Sail curriculum offer (wider curriculum) to ensure it meets the needs of our children, offers opportunities for development of key knowledge, skills and vocabulary, progressively through school.
- To review our teaching of core subjects ensuring progression and sequential teaching, building on previous skills and knowledge.
- To develop behaviour and attitudes through school by providing a supportive, emotionally aware environment.
- Focussing on developing school readiness, socially, emotionally and academically.

## St Ives Infant School

### Trustees' Report for the Year Ended 31 August 2019 (continued)

#### **Auditor**

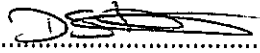
Insofar as the Trustees are aware:

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

#### **Reappointment of auditor**

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Walker Moyle Ltd as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Trustees' Report, incorporating a Strategic Report, was approved by order of the members of the board of trustees on 25.11.19 and signed on its behalf by:



.....  
D Stevens  
Governor and trustee

# St Ives Infant School

## Governance Statement

### Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to J Dean (From 1.9.2019 L Farrar), as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St Ives Infant School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 4 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
C Whelan	2	4
J Dean	4	4
D Stevens	4	4
E Short	4	4
C Burdett	3	4
C Nicholls	4	4
L Paxton	4	4
N Merrill	4	4
H Carver	4	4
L Pulley	4	4
L Phillips	3	3

# St Ives Infant School

## Governance Statement (continued)

The Finance and General Purposes Committee is a sub-committee of the main board of trustees. Its purpose is to manage and direct the academy's finances and specialist issues Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
C Whelan	0	3
J Dean	3	3
C Burdett	2	3
L Paxton	3	3
D Stevens	3	3
C Nicholls	2	3

### Review of value for money

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

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

The accounting officer for the academy trust has worked with the school's Business Manager to deliver improved value for money during the year by:

- Considering the provision of staff absence insurance and securing a reduced premium with a new insurance company.
- Reviewing the school's electricity contract and switching to a different supplier.
- Reducing the cost of the school's broadband service through a three year contract.

In the coming year the school will complete its review of the catering budget and seek to reduce costs in order to fully cover the cost of providing free school meals. The existing contract for waste and recycling will also be reviewed. Consideration will be given to the opportunities provided through the DfE's Schools' Buying Strategy which will be studied and discussed by relevant staff and governors.

### The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in St Ives Infant School for the year ended 31 August 2019 and up to the date of approval of the annual report and financial statements.

### Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

### The risk and control framework

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

# St Ives Infant School

## Governance Statement (continued)

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

The board of trustees has considered the need for a specific internal audit function and has decided:

- to appoint Walker Moyle Ltd/non-employed ex trustee as internal auditor

The auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included:

- Management accounts and capital expenditure
- Payroll procedures and controls
- The receipt, recording and banking of cash income

On a regular basis, the auditor reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees's financial responsibilities.

There were no material control or other issues reported by the internal auditor to date.

### Review of effectiveness

As Accounting Officer, J Dean (From 1.9.2019 L Farrar) has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

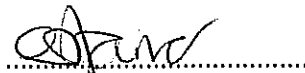
- the work of the internal auditor ;
- the work of the external auditor;
- the financial management and governance self assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 25/11/19 and signed on its behalf by:



D Stevens  
Governor and trustee



L Farrar  
Accounting officer  
Principal

## St Ives Infant School

### Statement on Regularity, Propriety and Compliance

As Accounting Officer of St Ives Infant School I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

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

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



.....  
L Farrar, Accounting Officer

25/11/2019  
~~22 December 2019~~

# St Ives Infant School

## 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 Academies Accounts Direction published by the Education & 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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

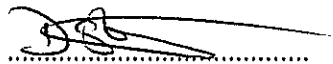
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board on 25/11/19 and signed on its behalf by:



.....  
D Stevens  
Governor and trustee



# St Ives Infant School

## Independent Auditor's Report on the Financial Statements to the Members of St Ives Infant School

### Opinion

We have audited the financial statements of St Ives Infant School (the 'Academy') for the year ended 31 August 2019, which comprise the Statement of Financial Activities Incorporating Income and Expenditure Account, Balance Sheet, 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy trust's affairs 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 with the Charities SORP 2015 and Academies Accounts Direction 2018 to 2019.

### 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.

### Conclusions relating to going concern

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

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

### Other information (covers the Reference and Administrative Details, the Trustees' Report and Strategic Report and the Governance Statement)

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

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

## St Ives Infant School

### Independent Auditor's Report on the Financial Statements to the Members of St Ives Infant School (continued)

#### Opinion on other matters prescribed by the Companies Act 2006

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

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

#### Matters on which we are required to report by exception

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

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

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

#### Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 14], 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's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Academy's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Academy's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Academy to cease to continue as a going concern.

## St Ives Infant School

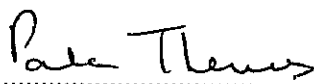
### Independent Auditor's Report on the Financial Statements to the Members of St Ives Infant School (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Academy to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Academy audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### Use of our report

This report is made solely to the Academy's Trustees, 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 trustees 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 its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



.....  
Paula Thomas BA FCA DChA (Senior Statutory Auditor)  
For and on behalf of Walker Moyle Ltd, Statutory Auditor

Alverton Pavillion  
Trewithen Road  
Penzance  
Cornwall  
TR18 4LS

Date:.....17 December 2019.....

## **St Ives Infant School**

### **Independent Reporting Accountant's Assurance Report on Regularity to St Ives Infant School and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter dated 2 October 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 St Ives Infant School 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 St Ives Infant School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to St Ives Infant School and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than St Ives Infant School and the ESFA, for our work, for this report, or for the conclusion we have formed.

#### **Respective responsibilities of the Governing Body's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of the board of trustees's funding agreement with the Secretary of State for Education dated 1 September 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 year from 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.

#### **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 trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

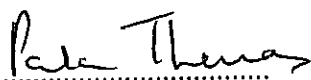
- reviewing internal controls and testing a sample to ensure they are being correctly implemented
- reviewing the minutes of meetings of the trustees' and the finance and premises committee.
- reviewing a sample of expenditure incurred during the year and confirming it was in accordance with the academy's framework and charitable objectives.

## St Ives Infant School

### Independent Reporting Accountant's Assurance Report on Regularity to St Ives Infant School and the Education and Skills Funding Agency (continued)

#### Conclusion

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 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.



.....  
Paula Thomas BA FCA DChA  
For and on behalf of Walker Moyle Ltd, Chartered Accountants

Alverton Pavillion  
Trewithen Road  
Penzance  
Cornwall  
TR18 4LS

17 December 2019

## St Ives Infant School

### Statement of Financial Activities for the Year Ended 31 August 2019 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2018/19 Total £
<b>Income and endowments from:</b>					
Donations and capital grants	2	3,024	5,145	15,427	23,596
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	10,747	832,722	-	843,469
Other trading activities	4	<u>33,211</u>	<u>-</u>	<u>-</u>	<u>33,211</u>
Total		<u>46,982</u>	<u>837,867</u>	<u>15,427</u>	<u>900,276</u>
<b>Expenditure on:</b>					
<i>Charitable activities:</i>					
Academy trust educational operations	6	82,041	874,862	65,461	1,022,364
Other		<u>-</u>	<u>2,145</u>	<u>-</u>	<u>2,145</u>
Total		<u>82,041</u>	<u>877,007</u>	<u>65,461</u>	<u>1,024,509</u>
Net expenditure		(35,059)	(39,140)	(50,034)	(124,233)
<b>Other recognised gains and losses</b>					
Actuarial gain/(loss) on defined benefit pension schemes	21	<u>-</u>	<u>(117,000)</u>	<u>-</u>	<u>(117,000)</u>
Net movement in deficit		(35,059)	(156,140)	(50,034)	(241,233)
<b>Reconciliation of funds</b>					
Total funds/(deficit) brought forward at 1 September 2018		<u>71,929</u>	<u>(206,863)</u>	<u>1,447,912</u>	<u>1,312,978</u>
Total funds/(deficit) carried forward at 31 August 2019		<u>36,870</u>	<u>(363,003)</u>	<u>1,397,878</u>	<u>1,071,745</u>

## St Ives Infant School

### Statement of Financial Activities for the Year Ended 31 August 2018 (including Income and Expenditure Account)


Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2017/18 Total £	
<b>Income and endowments from:</b>					
Donations and capital grants	2	3,873	-	8,667	12,540
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	6,064	853,737	-	859,801
Other trading activities	4	<u>29,827</u>	-	-	<u>29,827</u>
Total		39,764	853,737	8,667	902,168
<b>Expenditure on:</b>					
<i>Charitable activities:</i>					
Academy trust educational operations	6	<u>34,026</u>	<u>905,600</u>	<u>87,379</u>	<u>1,027,005</u>
Net income/(expenditure)		5,738	(51,863)	(78,712)	(124,837)
<b>Other recognised gains and losses</b>					
Actuarial gain/(loss) on defined benefit pension schemes	21	-	<u>112,000</u>	-	<u>112,000</u>
Net movement in funds/(deficit)		5,738	60,137	(78,712)	(12,837)
<b>Reconciliation of funds</b>					
Total funds/(deficit) brought forward at 1 September 2017		<u>66,191</u>	<u>(267,000)</u>	<u>1,526,624</u>	<u>1,325,815</u>
Total funds/(deficit) carried forward at 31 August 2018		<u><u>71,929</u></u>	<u><u>(206,863)</u></u>	<u><u>1,447,912</u></u>	<u><u>1,312,978</u></u>

## St Ives Infant School

### (Registration number: 07713374) Balance Sheet as at 31 August 2019

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	9	1,395,603	1,461,063
<b>Current assets</b>			
Stocks		3,664	3,570
Debtors	10	25,908	20,359
Cash at bank and in hand		<u>55,441</u>	<u>71,158</u>
		85,013	95,087
Creditors: Amounts falling due within one year	11	<u>(42,871)</u>	<u>(36,172)</u>
Net current assets		<u>42,142</u>	<u>58,915</u>
Total assets less current liabilities		<u>1,437,745</u>	<u>1,519,978</u>
Net assets excluding pension liability		1,437,745	1,519,978
Pension scheme liability	21	<u>(366,000)</u>	<u>(207,000)</u>
Net assets including pension liability		<u>1,071,745</u>	<u>1,312,978</u>
<b>Funds of the Academy:</b>			
<b>Restricted funds</b>			
Restricted general fund		-	139
Restricted fixed asset fund		1,397,880	1,447,913
Restricted pension fund		<u>(366,000)</u>	<u>(207,000)</u>
		1,031,880	1,241,052
<b>Unrestricted funds</b>			
Unrestricted general fund		<u>39,865</u>	<u>71,926</u>
Total funds		<u>1,071,745</u>	<u>1,312,978</u>

The financial statements on pages 20 to 44 were approved by the Trustees, and authorised for issue on 25/11/19 and signed on their behalf by:

  
 .....  
 D Stevens  
 Governor and trustee



## St Ives Infant School

### Statement of Cash Flows for the Year Ended 31 August 2019

	Note	2019 £	2018 £
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	17	(26,814)	1,021
Cash flows from investing activities	18	<u>11,097</u>	<u>4,762</u>
Change in cash and cash equivalents in the year		(15,717)	5,783
Cash and cash equivalents at 1 September		<u>71,158</u>	<u>65,375</u>
Cash and cash equivalents at 31 August	19	<u><u>55,441</u></u>	<u><u>71,158</u></u>

# St Ives Infant School

## Notes to the Financial Statements for the Year Ended 31 August 2019

### 1 Accounting policies

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

#### 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 the ESFA, the Charities Act 2011 and the Companies Act 2006.

St Ives Infant School meets the definition of a public benefit entity under FRS 102.

#### 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.

#### Income

All incoming resources are recognised when the Academy Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably. The income is derived from the Ordinary Activities and is stated after trade discounts, other sales taxes and net of VAT (if charged).

#### 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.

The General Annual Grant (GAG) 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. Any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grant 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.

## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 1 Accounting policies (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

The value of donated services and gifts in kind provided to the Academy Trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy Trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with Academy Trust's accounting policies.

##### Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

##### Expenditure on raising funds

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

##### Charitable activities

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

# St Ives Infant School

## Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

### 1 Accounting policies (continued)

#### Tangible fixed assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

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

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.

<b>Asset class</b>	<b>Depreciation method and rate</b>
Long leasehold buildings	Equally over 50 years
Long leasehold land	Equally over the length of the lease (125 years)
Long leasehold property improvements	Equally over 10 years
Fixtures, fittings and equipment	Equally over 10 years
ICT equipment	Equally over 3 years
Paintings	No depreciation

#### Liabilities

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

#### Provisions

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

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

#### Leased assets

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

# St Ives Infant School

## Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

### 1 Accounting policies (continued)

#### Stock

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

#### Financial Instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

#### Taxation

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

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

#### Pension benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in Note 21, the TPS is a multi employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 1 Accounting policies (continued)

##### Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the 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 Education and Skills Funding Agency.

##### Critical accounting estimates and areas of judgement

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

##### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, 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 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total 2019 £	Total 2018 £
Educational trips and visits	2,350	-	-	2,350	2,974
Capital grants	-	-	15,427	15,427	8,667
Other donations	674	5,145	-	5,819	899
	<u>3,024</u>	<u>5,145</u>	<u>15,427</u>	<u>23,596</u>	<u>12,540</u>

## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 3 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
<b>DfE/ESFA revenue grants</b>				
General Annual Grant (GAG)	-	631,542	631,542	669,222
Teachers Pay Award	-	6,099	6,099	-
Pupil Premium	-	55,933	55,933	48,615
Other	-	3,932	3,932	-
Universal Infant Free School Meals	-	52,904	52,904	45,230
	<u>-</u>	<u>750,410</u>	<u>750,410</u>	<u>763,067</u>
<b>Other government grants</b>				
Nursery funding	-	65,332	65,332	72,935
Other	-	-	-	655
PE and Sports Grant	-	16,980	16,980	17,080
	<u>-</u>	<u>82,312</u>	<u>82,312</u>	<u>90,670</u>
<b>Non-government grants and other income</b>				
Other	10,747	-	10,747	6,064
Total grants	<u>10,747</u>	<u>832,722</u>	<u>843,469</u>	<u>859,801</u>

#### 4 Other trading activities

	Unrestricted funds £	2018/19 Total £	2017/18 Total £
Hire of facilities	1,539	1,539	1,470
Catering income	2,548	2,548	1,694
Other sales	29,124	29,124	26,663
	<u>33,211</u>	<u>33,211</u>	<u>29,827</u>

## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 5 Expenditure

	Staff costs £	Premises £	Other costs £	Total 2019 £	Total 2018 £
<b>Academy's educational operations</b>					
Direct costs	636,327	-	38,774	675,101	675,581
Allocated support costs	<u>147,823</u>	<u>126,227</u>	<u>75,358</u>	<u>349,408</u>	<u>351,424</u>
	<u><u>784,150</u></u>	<u><u>126,227</u></u>	<u><u>114,132</u></u>	<u><u>1,024,509</u></u>	<u><u>1,027,005</u></u>

#### Net incoming/outgoing resources for the year include:

	2019 £	2018 £
<b>Operating leases:</b>		
Operating leases - plant and machinery	860	860
Fees payable to auditor - audit	2,500	2,500
Other audit/accountancy services	5,380	5,325
Depreciation	<u>69,788</u>	<u>92,333</u>

#### Included within expenditure are the following transactions:

	Total £	Reason
Gifts made by the academy trust	<b>178</b>	Staff gifts



## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 6 Charitable activities

	Total 2019 £	Total 2018 £
<b>Direct costs - educational operations</b>		
Teaching and educational support staff costs	636,327	638,089
Educational supplies	15,979	19,110
Staff development	6,270	3,567
Other direct costs	<u>16,525</u>	<u>14,815</u>
	<u>675,101</u>	<u>675,581</u>
<b>Support costs - educational operations</b>		
Support staff costs	147,823	135,589
Depreciation	69,788	92,333
Maintenance of premises and equipment	17,039	14,213
Cleaning	5,476	4,708
Rent, rates and utilities	20,617	24,264
Insurance	13,307	13,723
Recruitment and support	1,133	258
Security and transport	1,514	1,144
Catering	25,158	22,054
Bank interest and charges	208	171
Other support costs	22,120	20,924
Governance costs	<u>23,080</u>	<u>22,043</u>
	<u>347,263</u>	<u>351,424</u>
Total direct and support costs	<u><u>1,022,364</u></u>	<u><u>1,027,005</u></u>

	Educational operations £	2018/19 Total £	2017/18 Total £
<b>Analysis of support costs</b>			
Support staff costs	147,823	147,823	135,589
Depreciation	69,788	69,788	92,333
Premises costs	56,439	56,439	56,908
Other support costs	50,133	50,133	44,551
Governance costs	<u>23,080</u>	<u>23,080</u>	<u>22,043</u>
Total support costs	<u><u>347,263</u></u>	<u><u>347,263</u></u>	<u><u>351,424</u></u>

## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 7 Staff

	2019 £	2018 £
<b>Staff costs during the year were:</b>		
Wages and salaries	594,541	583,806
Social security costs	44,016	43,834
Pension costs	<u>150,264</u>	<u>157,402</u>
	788,821	785,042
Supply teacher costs	15,908	3,680
Staff restructuring costs	<u>-</u>	<u>4,500</u>
	<u><u>804,729</u></u>	<u><u>793,222</u></u>
		<b>2018</b>
		<b>£</b>
<b>Staff restructuring costs comprise:</b>		
Severance payments		<u><u>4,500</u></u>

#### Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2018: £4,500).

#### Staff numbers

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

	2019 No	2018 No
<b>Charitable Activities</b>		
Teachers	9	10
Administration and support	<u>25</u>	<u>26</u>
	<u><u>34</u></u>	<u><u>36</u></u>

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

	2019 No	2018 No
£60,001 - £70,000	<u><u>1</u></u>	<u><u>1</u></u>

#### Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £160,204 (2018: £167,716).

## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 8 Related party transactions - trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and staff trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff members under their contracts of employment. The value of trustees' remuneration was as follows:

J Dean (Principal):

Remuneration: £65,000 - £70,000 (2018 - £60,000 - £65,000)

Employer's pension contributions: £10,000 - £15,000 (2018 - £10,000 - £15,000)

R Smith (Staff Governor):

Remuneration: £Nil (2018 - £35,000 - £40,000)

Employer's pension contributions: £Nil (2018 - £5,000 - £10,000)

N Merrill (Staff Governor):

Remuneration: £10,000 - £15,000 (2018 - £10,000 - £15,000)

Employer's pension contributions: £0 - £5,000 (2018 - £0 - £5,000)

L Pulley (Staff Governor):

Remuneration: £25,000 - £30,000 (2018 - £Nil)

Employer's pension contributions: £0 - £5,000 (2018 - £Nil)

Other related party transactions involving the trustees are set out in note 22.

#### 9 Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Total £
<b>Cost or Valuation</b>				
At 1 September 2018	1,627,145	20,713	36,147	1,684,005
Additions	4,330	-	-	4,330
At 31 August 2019	<u>1,631,475</u>	<u>20,713</u>	<u>36,147</u>	<u>1,688,335</u>
<b>Depreciation</b>				
At 1 September 2018	181,584	8,131	33,228	222,943
Charge for the year	64,998	1,872	2,919	69,789
At 31 August 2019	<u>246,582</u>	<u>10,003</u>	<u>36,147</u>	<u>292,732</u>
<b>Net book value</b>				
At 31 August 2019	<u>1,384,893</u>	<u>10,710</u>	<u>-</u>	<u>1,395,603</u>
At 31 August 2018	<u>1,445,561</u>	<u>12,582</u>	<u>2,919</u>	<u>1,461,062</u>

## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 10 Debtors

	2019 £	2018 £
Trade debtors	-	5,542
Prepayments	3,693	13,216
Accrued grant and other income	17,353	-
VAT recoverable	4,862	1,601
	25,908	20,359

#### 11 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	2,398	-
Other creditors	242	242
Accruals	11,680	9,546
Deferred income	28,551	26,384
	42,871	36,172

	2019 £
Deferred income at 1 September 2018	26,384
Resources deferred in the period	28,551
Amounts released from previous periods	(26,384)
Deferred income at 31 August 2019	28,551

At the balance sheet date the Academy Trust was holding Universal Infant Free School Meals funds received in advance of the Autumn term 2019.

#### 12 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2019 was £31 (2018 - £78).

The cost of this insurance is included in the total insurance cost.

## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 13 Funds

	Balance at 1 September 2018 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2019 £
<b>Restricted general funds</b>					
Nursery funding	-	65,332	(65,332)	-	-
Special Education Needs	-	2,979	(2,979)	-	-
General Annual Grant	-	631,542	(631,542)	-	-
Pupil Premium	-	55,933	(55,933)	-	-
Universal Infant Free School Meals	-	52,904	(52,904)	-	-
Music	-	954	(954)	-	-
PE and Sports grant	139	16,980	(17,119)	-	-
Teachers Pay Award	-	6,099	(6,099)	-	-
Donations	-	5,145	(2,145)	-	3,000
	<u>139</u>	<u>837,868</u>	<u>(835,007)</u>	<u>-</u>	<u>3,000</u>
<b>Restricted fixed asset funds</b>					
Transferred to the academy on conversion	910,224	-	(14,719)	-	895,505
Devolved Formula Capital Grant	27,685	14,528	(3,941)	-	38,272
Revaluation Reserve	127,190	-	(2,035)	-	125,155
New Roof	160,287	-	(19,400)	-	140,887
Backlog Maintenance	29,593	-	(3,794)	-	25,799
From GAG or other funds	35,725	-	(4,380)	-	31,345
Tesco Grant Horticultural Area	2,696	899	(90)	-	3,505
ACMF	63,903	-	(7,696)	-	56,207
Conditions Improvement Fund	80,261	-	(9,121)	-	71,140
Jubilee Room	394	-	(68)	-	326
Elliott Huts	9,955	-	(216)	-	9,739
	<u>1,447,913</u>	<u>15,427</u>	<u>(65,460)</u>	<u>-</u>	<u>1,397,880</u>
<b>Restricted pension funds</b>					
Pension Fund	<u>(207,000)</u>	<u>-</u>	<u>(42,000)</u>	<u>(117,000)</u>	<u>(366,000)</u>
Total restricted funds	1,241,052	853,295	(942,467)	(117,000)	1,034,880
<b>Unrestricted funds</b>					
Unrestricted general funds	<u>71,926</u>	<u>46,981</u>	<u>(82,042)</u>	<u>-</u>	<u>36,865</u>
Total funds	<u><u>1,312,978</u></u>	<u><u>900,276</u></u>	<u><u>(1,024,509)</u></u>	<u><u>(117,000)</u></u>	<u><u>1,071,745</u></u>

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

## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 13 Funds (continued)

	Balance at 1 September 2017 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2018 £
<b>Restricted general funds</b>					
Nursery funding	-	72,935	(72,935)	-	-
Special Education Needs	-	455	(455)	-	-
General Annual Grant	-	669,222	(669,222)	-	-
Pupil Premium	-	48,615	(48,615)	-	-
Universal Infant Free School Meals	-	45,230	(45,230)	-	-
PE and Sports grant	-	17,080	(16,941)	-	139
Sports Council	-	100	(100)	-	-
LA Music Funding	-	100	(100)	-	-
	<u>-</u>	<u>853,737</u>	<u>(853,598)</u>	<u>-</u>	<u>139</u>
<b>Restricted fixed asset funds</b>					
Transferred to the academy on conversion	942,849	-	(32,625)	-	910,224
Devolved Formula Capital Grant	27,248	5,971	(5,534)	-	27,685
Revaluation Reserve	131,734	-	(4,544)	-	127,190
New Roof	179,687	-	(19,400)	-	160,287
Backlog Maintenance	33,387	-	(3,794)	-	29,593
From GAG or other funds	40,105	-	(4,380)	-	35,725
Tesco Grant Horticultural Area	-	2,696	-	-	2,696
ACMF	71,599	-	(7,696)	-	63,903
Conditions Improvement Fund	89,382	-	(9,121)	-	80,261
Jubilee Room	462	-	(68)	-	394
Elliott Huts	10,171	-	(216)	-	9,955
	<u>1,526,624</u>	<u>8,667</u>	<u>(87,378)</u>	<u>-</u>	<u>1,447,913</u>
<b>Restricted pension funds</b>					
Pension Fund	<u>(267,000)</u>	<u>-</u>	<u>(52,000)</u>	<u>112,000</u>	<u>(207,000)</u>
Total restricted funds	1,259,624	862,404	(992,976)	112,000	1,241,052
<b>Unrestricted funds</b>					
Unrestricted general funds	<u>66,191</u>	<u>39,764</u>	<u>(34,029)</u>	<u>-</u>	<u>71,926</u>
Total funds	<u><u>1,325,815</u></u>	<u><u>902,168</u></u>	<u><u>(1,027,005)</u></u>	<u><u>112,000</u></u>	<u><u>1,312,978</u></u>

## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 13 Funds (continued)

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

Special Educational Needs - Funding received for the provision of education and training services to children with special educational needs.

Nursery funding - Funding received under the Early Years funding programme and is designated to allow for funded nursery places for 3 and 4 year old children.

General Annual Grant - This is the main source of funding for the Academy to fund its educational operations.

Pupil Premium - Funding is allocated to schools to close the gap in attainment between children from lower income families and their peer group and support children with parents in the regular armed forces.

Universal Infant Free School Meals - Funding to allow all pupils in reception, year 1 and year 2 to benefit from free school meals.

Sports grant - Funding is received in order to improve physical education and sport in primary schools.

Other Restricted Grants/Donations have been received for and expended for the purpose described.

Fixed Asset Restricted funds have been expended for the purpose described.

Pension Scheme - This represents the deficit on the Local Government Pension Scheme. See Note 21 for details. As with most pension schemes this is currently in deficit due to the excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy. The Academy will follow the recommendations of the actuary to reduce the deficit over a number of years.

Following the release of the Academies Financial Handbook 2013, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019.

#### 14 Analysis of net assets between funds

Fund balances at 31 August 2019 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	16,080	-	1,379,523	1,395,603
Current assets	20,791	45,871	18,351	85,013
Current liabilities	-	(42,871)	-	(42,871)
Pension scheme liability	-	(366,000)	-	(366,000)
<b>Total net assets</b>	<b>36,871</b>	<b>(363,000)</b>	<b>1,397,874</b>	<b>1,071,745</b>

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

## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 14 Analysis of net assets between funds (continued)

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	20,411	-	1,440,652	1,461,063
Current assets	51,515	36,311	7,261	95,087
Current liabilities	-	(36,172)	-	(36,172)
Pension scheme liability	-	(207,000)	-	(207,000)
Total net assets	71,926	(206,861)	1,447,913	1,312,978

#### 15 Capital commitments

	2019 £
Contracted for, but not provided in the financial statements	9,054



## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 16 Commitments under operating leases

##### *Operating leases*

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

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Amounts due within one year	860	860
Amounts due between one and five years	<u>1,720</u>	<u>2,580</u>
	<u><u>2,580</u></u>	<u><u>3,440</u></u>

#### 17 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Net expenditure	(124,233)	(124,837)
Depreciation	69,789	92,332
Capital grants from DfE and other capital income	(15,427)	(8,667)
Increase in stocks	(94)	(678)
Increase in debtors	(5,548)	(13,086)
Increase in creditors	6,699	3,957
Pension (Income)/Cost	<u>42,000</u>	<u>52,000</u>
Net cash (used in)/provided by Operating Activities	<u><u>(26,814)</u></u>	<u><u>1,021</u></u>

#### 18 Cash flows from investing activities

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Purchase of tangible fixed assets	(4,330)	(3,905)
Capital funding received from sponsors and others	<u>15,427</u>	<u>8,667</u>
Net cash provided by investing activities	<u><u>11,097</u></u>	<u><u>4,762</u></u>

#### 19 Analysis of cash and cash equivalents

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Cash at bank and in hand	<u>55,441</u>	<u>71,158</u>
Total cash and cash equivalents	<u><u>55,441</u></u>	<u><u>71,158</u></u>

## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 20 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.

#### 21 Pension and similar obligations

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

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

#### Teachers' Pension Scheme

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

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

## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 21 Pension and similar obligations (continued)

##### Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £50,873 (2018 - £53,541).

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

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

##### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £72,000 (2018 - £66,000), of which employer's contributions totalled £57,000 (2018 - £53,000) and employees' contributions totalled £15,000 (2018 - £13,000). The agreed contribution rates for future years are 17.1 per cent for employers and 5.5-9.9 per cent for employees.

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

## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 21 Pension and similar obligations (continued)

##### Principal actuarial assumptions

	2019 %	2018 %
Rate of increase in salaries	2.40	2.40
Rate of increase for pensions in payment/inflation	2.30	2.30
Discount rate for scheme liabilities	1.90	2.80
Commutation of pensions to lump sums	<u>40.00</u>	<u>40.00</u>

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

	2019	2018
<b>Retiring today</b>		
Males retiring today	21.10	22.10
Females retiring today	23.60	24.50
<b>Retiring in 20 years</b>		
Males retiring in 20 years	22.30	24.00
Females retiring in 20 years	<u>25.00</u>	<u>26.40</u>

##### Sensitivity analysis

	2019 £	2018 £
0.5% decrease in Real Discount Rate	161,000.00	117,000.00
0.5% increase in the Salary Increase Rate	19,000.00	17,000.00
0.5% increase in the Pension Increase Rate (CPI)	<u>139,000.00</u>	<u>99,000.00</u>

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

	2019 £	2018 £
Equities	439,900	332,000
Other bonds	323,700	291,000
Property	58,100	47,000
Cash and other liquid assets	<u>8,300</u>	<u>7,000</u>
Total market value of assets	<u>830,000</u>	<u>677,000</u>

The actual return on scheme assets was £91,000 (2018 - £33,000).

## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 21 Pension and similar obligations (continued)

##### Amounts recognised in the statement of financial activities

	2018/19 £	2017/18 £
Current service cost	92,000	97,000
Past service cost	1,000	-
Interest income	(20,000)	(15,000)
Interest cost	26,000	23,000
	<u>99,000</u>	<u>105,000</u>
Total amount recognized in the SOFA		

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

	2018/19 £	2017/18 £
At start of period	884,000	851,000
Current service cost	92,000	97,000
Interest cost	26,000	23,000
Employee contributions	15,000	13,000
Actuarial (gain)/loss	188,000	(94,000)
Benefits paid	(10,000)	(6,000)
Past service cost	1,000	-
	<u>1,196,000</u>	<u>884,000</u>
At 31 August		

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

	2018/19 £	2017/18 £
At start of period	677,000	584,000
Interest income	20,000	15,000
Actuarial gain/(loss)	71,000	18,000
Employer contributions	57,000	53,000
Employee contributions	15,000	13,000
Benefits paid	(10,000)	(6,000)
	<u>830,000</u>	<u>677,000</u>
At 31 August		

#### 22 Related party transactions

Owing to the nature of the academy trust and the composition of the board of governors 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 and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

## St Ives Infant School

### Notes to the Financial Statements for the Year Ended 31 August 2019 (continued)

#### 22 Related party transactions (continued)

##### Expenditure related party transactions

During the year the academy made the following related party transactions:

##### **T M Williams**

(T M Williams is the partner of the governor Colin Nicholls)

TM Williams is employed as the academy groundsman and received remuneration of £2,821.43 during the year ended 31 August 2019 (£2,649.17 2018)..

In entering into the transaction the academy trust has complied with the requirements of the Academies Financial Handbook 2018.

At the balance sheet date the amount due to T M Williams was £Nil (2018 - £Nil).

##### **Colenso & Co**

(Hardware shop owned by the governor Colin Nicholls.)

During the year the academy school spent £263.60 in the hardware shop..

In entering into the transaction the academy trust has complied with the requirements of the Academies Financial Handbook 2018.

At the balance sheet date the amount due to Colenso & Co was £Nil (2018 - £Nil).