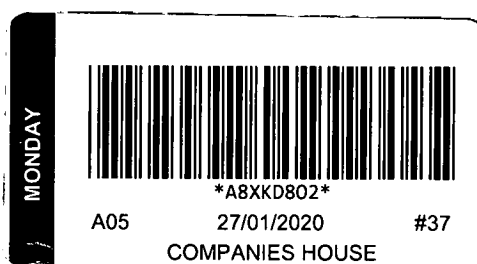


**GILBERT INGLEFIELD ACADEMY TRUST**  
(A Company Limited by Guarantee)  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**



**GILBERT INGLEFIELD ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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**GILBERT INGLEFIELD ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Members</b>	Mr J Hassall (Chair of Trustees) Mrs A Lane (Resigned 29 January 2019) Mr D Packer (Appointed 10 October 2018) Ms E Voo Mr P Drosihn (Appointed 8 October 2019)
<b>Trustees</b>	Mr S Adams, Head Teacher (Resigned 23 April 2019) Mr F Murphy, Head Teacher (Appointed 23 April 2019) Mr P Drosihn Mrs R White Mrs A Lane (Resigned 29 January 2019) Mr J Hassall, Chair of Trustees Mr D Packer Mrs A Lawson Mrs M Saracino Mrs S Roach Mrs M Smith Ms E Voo Mr M Phillips
<b>Company registered number</b>	7883254
<b>Company name</b>	Gilbert Inglefield Academy Trust
<b>Principal and registered office</b>	Vandyke Road Leighton Buzzard Bedfordshire LU7 3FU
<b>Company Secretary</b>	Mrs M Smith
<b>Chief Executive Officer</b>	Mr F Murphy (Appointed 23 April 2019) Mr S Adams (Resigned 23 April 2019)
<b>Senior management team</b>	Francis Murphy, Headteacher Helen Castledine, Deputy Headteacher Ruth Lewin, Assistant Headteacher Inderjit King - Mand, Assistant Headteacher
<b>Independent Auditors</b>	Price Bailey LLP Chartered Accountants Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT

**GILBERT INGLEFIELD ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**Bankers**

Lloyds TSB  
Market Square  
Leighton Buzzard  
Bedfordshire  
LU7 1UE

**GILBERT INGLEFIELD ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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The Trustees present their Annual Report together with the financial statements and Auditor's Reports of Gilbert Inglefield Academy Trust (the Trust or the Charitable Company) for the period 1 September 2018 to 31 August 2019. The Annual Report serves the purposes of both a Trustees' Report and a Directors' Report under company law.

The Trust operates as an Academy for pupils aged 9 to 13 serving a catchment area of Leighton Buzzard. It has a pupil capacity of 560 and had a roll of 406 on the school census at August 2019.

**Structure, Governance and Management**

**Constitution**

The Trust is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and Articles of Association are the primary governing documents.

The Trustees of Gilbert Inglefield Academy Trust are also the Directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Gilbert Inglefield Academy Trust (the Academy or the School).

Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1.

**Members' Liability**

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

**Trustees' and Officers' Indemnities**

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees, and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business.

**Method of Recruitment and Appointment or Election of Trustees**

Trustees are appointed for a fixed term of four years, apart from the Head Teacher who is an ex-officio member of the Board of Trustees. Parent Trustees are elected to office or appointed if there are insufficient candidates offering themselves for election. Staff Trustees are appointed by election.

Associate Members are not Trustees but are appointed by the Board of Trustees to bring expertise and experience in specific areas to committees. They can attend Board of Trustees meetings. Associate Members will be appointed, as necessary, for a term of one year. They can be re-elected by the Board of Trustees at the end of their term.

**Policies and Procedures Adopted for the Induction and Training of Trustees**

New Trustees are required to complete an induction training programme. This now includes attending training, a tour of the School, meetings with pupils and staff and provision of policy and procedures documents that are appropriate to the role they undertake as Trustees with particular emphasis on the committee work that they will undertake. The process is seen as an investment that will lead to more effective governance and retention of Trustees.

**GILBERT INGLEFIELD ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**Organisational Structure**

The Trustees Framework of Gilbert Inglefield Academy Trust is built upon the ethos of ensuring that Trustees have largely strategic responsibilities and the Head Teacher leads operational management. This framework enables all parties to fulfil their roles and responsibilities, and provides clarity on individual, collective and delegated responsibilities.

The Board of Trustees have overall responsibility for the administration of the Trust's finances. The role of the Board of Trustees is to provide intrinsic leadership and direction for the Trust and establish and maintain its aims, visions and values. It will agree the strategic and operational framework within which the Trust will be managed by the Head Teacher and will monitor and hold the Head Teacher (and Senior Leadership Team) to account for the achievement of the Board of Trustees' strategic aims and objectives for the School. Trustees are responsible for the authorisation of spending within agreed budgets and for the appointment of staff following vetting and safeguarding process. The Head Teacher is the Accounting Officer.

The Board of Trustees governs with an emphasis on:

- Continuous improvement with a focus on high educational standards.
- Ensuring that high standards of corporate governance are maintained.
- Encouragement of equality and diversity.
- Decision making that is collective rather than individual.
- A recognition that Gilbert Inglefield Academy Trust and other local schools must work together, providing school to school support for the benefit of all children in the community

Trustees implement this framework through a committee structure including:

- Resources and Personnel Committee
- Teaching and Learning Committee

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

Our Pay Policy outlines details for setting the pay and remuneration of the Trust's key management personnel using the Performance Management scheme. We follow the School Teachers Pay and Condition document and salaries are reviewed each year. Trustees/directors do not receive pay and do not claim expenses.

**Related Parties and other Connected Charities and Organisations**

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations, in which a Trustee has an interest. All such transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procedures.

**Objectives and Activities**

**Objects and Aims**

The Trust is constituted as a 9-13 (Years 5-8) school (middle deemed secondary) and since conversion is known as Gilbert Inglefield Academy Trust (formerly Gilbert Inglefield Middle School).

In defining the Trust's objectives and aims, Trustees have referred to the Charity Commission's guidance on public benefit.

**GILBERT INGLEFIELD ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

The Trust aims to:

- Provide a safe and secure environment in which everyone is welcomed, respected and valued.
- Encourage high aspirations and expectations, striving for excellence in all that we do.
- Provide all learners with the opportunity to achieve to the best of their ability both in the classroom and via a broad range of extra-curricular experiences.
- Create a sense of community where pupils, parents/carers, staff and Trustees work in partnership and with respect for each other.
- Celebrate the achievements of our pupils as they grow into well-rounded, successful and responsible citizens.

**Objectives, Strategies and Activities**

The Senior Leadership Team and Trustees hold a traditional belief in the importance of strong values. Pupils are expected to be polite, considerate, self-motivated and hard working. The School offers an innovative curriculum that seeks to develop the whole child, leading to high rates of progress and strong levels of achievement. There is a focus on sports, music, drama and arts in order to motivate pupils in all aspects of School, especially in their academic studies.

**Public Benefit**

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Trust's aims and objectives and in planning its future activities.

**Trade Union Facility**

We have no employees that are Trade Union Representatives.

**Fundraising**

The Trust only held small fundraising events during the year including Christmas jumper day, non uniform day and 2 school concerts a year. The Trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. During the year no complaints or issues have arisen as a result of the fundraising events.

**Strategic Report**

**Achievements and Performance**

We achieved the key targets that we set ourselves at the start of the academic year: improving standards over the four year programme and developing our tracking of in-year progress; we also set up much more rigorous systems to track the achievement of disadvantaged children, those with Special Educational Needs and the more able group: staff have been allocated clear responsibilities for managing these areas and ensuring all staff are fully conversant with the needs of these children and the interventions required to move them forward. An excellent programme for "Y7 Catch Up", delivered through nurture groups, has raised achievement of the group of pupils who struggled to reach age-related expectations in the previous year's national assessments at Key Stage 2.

We have continued to review and streamline the timetable and the curriculum provided offer to ensure best use of staff specialist knowledge and experience and a broad and balanced offer to pupils. This has both supported a reduction in staffing and therefore costs whilst enabling us to build stronger links with the neighbouring Upper School in sharing staff expertise and time. The emphasis on developing skills and talents, and the particular emphasis on challenging and stretching our Able, Gifted and Talented pupils in some of these areas has led to some outstanding achievement. In addition to the main timetabled curriculum. We have also run WOW days for year 5 pupils. Trips for other year groups have included Wickstead Park (Y6), Chessington (Y7) and French Day (Y8).

**GILBERT INGLEFIELD ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

The past year has focused on ensuring that the Trust should consolidate its OFSTED judgement. Having been inspected and judged Good in July 2016 the school is now fully focussed on ensuring that the areas identified as preventing the school from achieving an outstanding judgement are quickly addressed.

Communication and engagement with the parent body has continued to develop. A new model of reporting student progress to parents has been introduced and this should sharpen the focus on student achievement. The relentless focus on achievement in all its forms remains of paramount importance and this is being supplemented by continuing to develop our practise with external providers such as Challenge Partners and local Middle and Upper schools.

The role of the Trustees has developed and the Chair who was appointed immediately following the inspection has now been in post for a sustained period of time. He is working with the Board of Trustees and a second new Headteacher in eighteen months to support the strategic direction of the School.

Staffing continues to be a serious challenge. Illness during the year has impacted on the day to day running of the School and making new appointments continues to challenge almost all schools. The creative use of internal cover staff and supply teachers helped to minimise impact although the budget was impacted by the need to employ supply teachers for many weeks at a time.

**Going Concern**

After making appropriate enquires, the Trustees have a reasonable expectation that the 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. The Trust had a visit from a School Resource Management Adviser in June 2019. He identified savings/ opportunities totalling £703,000 over the next 3 years. The Trust is working to achieve these savings. The Trust has Central Bedfordshire Council approved building work starting January 2020. This will accommodate an additional 2 forms of entry from September 2020.

**Financial Review**

The principal source of funding for the Trust is the General Annual Grant (GAG) funding that it receives from the Education and Skills Funding Agency (ESFA). For the period ended 31 August 2019 the Trust received £2,277,092 (2018 - £2,220,002) in GAG and other funding (excluding capital funding). A high percentage of this funding is spent on wages and salaries and support costs to deliver the Trust's primary objective of the provision of education. During the year the Trust spent £2,378,291 (excluding capital expenditure).

The Trust brought forward from 17/18, £95,255 restricted funding (excluding pension reserve) and £31,884 unrestricted funding. The carry forward for 18/19 is £60,462 restricted funding (excluding pension reserve) and £40,478 unrestricted funding.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Trust is recognising a significant pension fund deficit of £712,000 (2018 - £407,000). This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years. The recognition of this deficit has no direct impact on the free reserves of the School.

The Trust finances are reviewed continually throughout the year. Meetings of the Resources and Personnel committee are held each half term to monitor and review the budget. The Trust has total reliance on continued Government funding through the ESFA.

The Trust held fund balances as at 31 August 2019 of £5,634,437 comprising £60,462 of restricted funds (excluding pension reserve), restricted fixed asset funds of £6,245,497, a pension reserve deficit of £712,000 and £40,478 of unrestricted general funds. Staffing costs are currently under further review to ensure the Trust can produce balanced budgets in future years.

**GILBERT INGLEFIELD ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**Reserves Policy**

The Trustees are aware of the requirement to balance current and future needs. They always aim to ensure that, they set a balanced budget with annual income balancing annual expenditure. The Trustees monitor estimated year-end carry forward figures via the monthly reports from the Business Manager. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £40,478 (2018 – £31,884). This has been built up from a mixture of locally raised income and balances transferred from predecessor school.

The Trust's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2019 was £100,940 (2018- £127,139).

The cash balance of the Trust has been very healthy all year, ending the year with a balance of £148,995 (2018- £193,419), a significant proportion of this is held against specific projects and is not available to meet normal recurring expenditure. The Trustees regularly monitor cash flow at half termly Board meetings and the Trust holds a cash contingency equivalent to one month's gross salary expenditure, this totals approximately £169,000 for the Trust. Further reserves will be maintained due to the anticipated reduction in funding in future years.

A Reserves Policy is in place and this is reviewed annually by the Resources Committee. The Trustees have determined that the appropriate level of free reserves should be equivalent to four weeks' worth of expenditure in terms of salaries and resources. This is approximately £235,000. The reserves policy does not currently differentiate for building and maintenance reserves.

**Funds in Deficit**

The Trust's non-teaching staff are entitled to membership of the Local Government Pension Scheme. The Trust's share of the scheme assets is currently assessed to be less than its liabilities in the scheme and consequently the Trust's balance sheet shows a net liability of £712,000. However, the deficit does not mean that an immediate liability for this amount crystallises. The contribution rate to reduce the liability is calculated by an independent Actuary.

**Investment Policy**

The Trust currently holds no investments and holds its cash funds in UK bank accounts.

**Principal Risks and Uncertainties**

The Trust has undertaken a review of the Risk Register, this is carried out annually. This register identifies the key risks to which the Trust could be subjected to.

The following categories are identified, (Range 1-5) those with a score of 3 or above are highlighted:

1. Strategic risk - the risks identified here are charitable objects risk. An unfavourable report from Ofsted could harm the reputation of the Trust.
2. Competition risk - other organisations competing for the same source of income.
3. Technology risk - if information is not backed up securely, this would have a high impact.
4. Public profile risk - Charity not seen by public to be meeting objectives. Management and Administration costs are perceived by the public to be high.
5. Governing Body Organisation risk - Trustees delegate too much/ too little to Head Teacher and /or School Businesss Manager (SBM).
6. Trustee Risk - lack of availability/poor attendance at meetings.
7. Passive Trustee - lack of participation in meetings.

This was carried out by the Head Teacher, SBM and Chair of Resources.

**GILBERT INGLEFIELD ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**Plans for Future Periods**

Whole School Priorities 2019-2020

School expansion and new build from September 2020

In order to continue to improve the Trust and ultimately gain an "good" inspection judgement we have adopted the following priorities:

Priority 1: To ensure that teaching and learning is at least good in all age groups, supporting the progress of all learners.

Priority 2: To ensure that groups of learners across KS2 and KS3 make progress at expected and greater depth in maths.

Priority 3: To ensure that groups of learners across KS2 and KS3 make progress at expected and greater depth in English.

**Funds Held as Custodian Trustee on Behalf of Others**

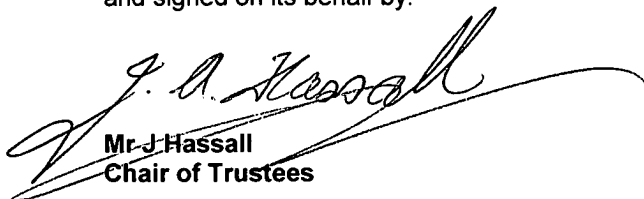
No funds are held within this category.

**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.

The Trustees' Report, incorporating a Strategic Report, was approved by the Board of Trustees on 10/12/19 and signed on its behalf by:



Mr J Hassall  
Chair of Trustees

**GILBERT INGLEFIELD ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT**

**Scope of responsibility**

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

The Board of Trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Gilbert Inglefield Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 21 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
Mr S Adams, Head Teacher	11	14
Mr F Murphy, Head Teacher	7	7
Mr P Drosihn	14	16
Mrs R White	11	15
Mrs A Lane	3	4
Mr J Hassall, Chair of Trustees	20	21
Mr D Packer	13	15
Mrs A Lawson	15	15
Mrs M Saracino	12	15
Mrs S Roach	4	15
Mrs M Smith	11	15
Ms E Voo	11	15
Mr M Phillips	14	15

Two new Trustees have very recently joined the Board. This was agreed at the last Annual General Meeting. This means that we have only one co-opted vacancy and one parent Governor vacancy. This is very pleasing as the less than full complement of Governors has meant that whilst all FGB meetings have been well attended, some of our Committee meetings have only just been quorate.

The major challenges that the Board has had to deal with during this past year have been as follows:

- The unexpected resignation of the Headteacher and urgent necessity of replacing him. The short timescale available to make a new appointment in order to avoid a term without a permanent Headteacher meant a lot of work had to be completed in a short time. However, an unexpectedly large number of good candidates, including two outstanding ones, enabled the Board to make what all members are confident is an excellent appointment.
- The low numbers of pupils joining the school in Year 5 has presented some financial problems which have demanded very careful consideration of strategies to ensure that the School did not enter into a deficit situation. See later comment.
- The very large expansion of the School. Whilst this has only recently been approved the Board has spent a lot of time on this matter and will continue to do so for at least eighteen months.
- The Central Beds Council plans to introduce a two – tier education system instead of the current three-tier system. The Headteacher, his predecessor and the Chair of Trustees have all attended many meetings with CBC but the situation is still not finalised and this will continue to result in uncertainty for some considerable time to come.

**GILBERT INGLEFIELD ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

In addition to the above, the work of the Board has included involvement in recruitment and interviewing, regular visits particularly regarding subject link Governor visits, attendance at School open evenings. Open days, parents' evenings and at dramatic and musical productions. The Chair takes whole School assemblies at least once a term.

A review of the Board has been carried out every year since 2014.

The review consisted of a questionnaire being distributed to all Governors. Who were required to complete and return it to the clerk. The questions concentrated on the perceptions of individual Governors of the strengths and weaknesses within the Board, and the Chair; what they would like to see introduced which wasn't in place currently; what they felt was unnecessary regarding the work of governance; what if anything, they would like to become more involved in. Any general observations were then added. The strengths were perceived to be :- the performance, experience and commitment of the Chair of Trustees; the experience of a significant number of other Governors, in particular the Chair of the Teaching and Learning Committee; the enthusiasm displayed by the Trustees; the performance and experience of the Clerk to the Trustees; the links between Gilbert Inglefield and Vandyke. The only area of weakness identified by some Governors was the lack of initial Governor training provided. This was noted and measures are being put in place to meet this need. Two new Trustees admitted their inexperience but when discussing this after the review had been completed, the other Trustees did not accept this was a weakness, just something that would certainly improve.

In addition to the review itself, a Governor skills audit is carried out regularly. The latest one identified that there was a considerable strength in the areas of financial management, educational knowledge, planning, technological skills in various areas but there was less strength in the area of Human Resource Management. However, one of the newly recruited Trustees has considerable experience in this area.

The Resources Committee is a sub-committee of the Board of Trustees. Its purpose is to ensure that the Headteacher and Senior Leadership Team are provided with both support in the financial management of the School and the regular challenges that ensure that such management is the best it can be. Prior to all the Resources Committee meetings, the School Business Manager circulates the latest data both in the current financial position and future budgeting. The Trustees are expected to study this information before the meetings. Future requirements regarding capital works are also discussed and where relevant passed for approval to the Board of Trustees. In addition to all aspects of financial management, the remit of the Resources Committee also includes matters of human resources.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr F Murphy	2	2
Mr S Adams	4	4
Mr J Hassall	6	6
Mrs A Lane	0	1
Mrs A Lawson	6	6
Mrs M Saracino	4	6
Mrs M Smith	5	6
Ms L Voo	5	6

**GILBERT INGLEFIELD ACADEMY TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

**Review of value for money**

As Accounting Officer, the Headteacher has responsibility for ensuring that the Academy delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Academy's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer has delivered improved value for money during the year by:

- improving educational results.
- ensuring strict financial control.
- reducing staffing levels to ensure a balanced budget is produced.

**The Governors' Approach**

The Governors and the School Management will apply the principles of best value when making decisions about:

- The allocation of resources that promote the aims and values of the School.
- The targeting of resources to improve standards and the quality of provision.
- The use of resources that support the various educational needs of all pupils.

**Governors and the School Management will:**

- Benchmark with similar schools using data provided by the Local Authority and the DfE, as well as networking and sharing information and good practice with other schools.
- Challenge proposals, examining them for effectiveness, efficiency, and economy e.g. Pupil Premium
- Require suppliers to compete on grounds of cost and quality, suitability of products and provision of services
- Consult all stakeholders on quality, suitability of the service we provide to parents and students as well as services we receive from providers.

**The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy 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 Gilbert Inglefield Academy Trust for the year 1 September 2018 to 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 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's significant risks that has been in place for the year 1 September 2018 to 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.

**GILBERT INGLEFIELD ACADEMY TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

**The risk and control framework**

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint SMC Support Services Limited as Internal Auditor.

The Internal Auditor's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. In particular the checks carried out in the current period included a review of the financial regulations handbook and identifying the financial controls over each key area of the accounting system.

On an annual basis, the Internal Auditor reports to the Board of Trustees through the Resources Committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

The Internal Auditor has delivered their schedule of work as planned and there were no material control issues arising as a result of their work.

**Review of effectiveness**

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

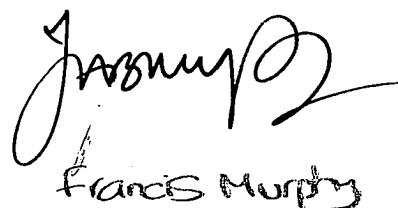
- the work of the Internal Auditor;
- the work of the external Auditors;
- the financial management and governance self-assessment process; and
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by the Board of Trustees on 10/12/2019

and signed on their behalf by:

  
Mr J Hassall  
Chair of Trustees

  
Francis Murphy

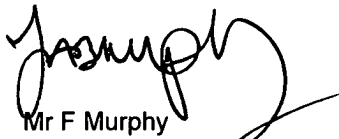
**GILBERT INGLEFIELD ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

As Accounting Officer of Gilbert Inglefield Academy Trust I have considered my responsibility to notify the 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, under the funding agreement in place between the Academy 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 Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy'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.

  
Mr F Murphy  
Accounting Officer  
Date: 10<sup>th</sup> Dec 2019

**GILBERT INGLEFIELD ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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 then apply them consistently;
- observe the methods and principles of 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 the Board of Trustees on 10/12/19 and signed on its behalf by:



Mr J Hassall  
Chair of Trustees



**GILBERT INGLEFIELD ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
GILBERT INGLEFIELD ACADEMY TRUST**

**Opinion**

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

In our opinion the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

**GILBERT INGLEFIELD ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
GILBERT INGLEFIELD ACADEMY TRUST (CONTINUED)**

**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Other information includes the Trustees' Report including the Strategic Report, the Governance Statement and the Accounting Officer's Statement. 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.

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

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

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

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

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

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

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

**GILBERT INGLEFIELD ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
GILBERT INGLEFIELD ACADEMY TRUST (CONTINUED)**

**Responsibilities of Trustees**

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

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

**Auditors' responsibilities for the audit of the financial statements**

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

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

**Use of our report**

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

Gary Miller (Senior Statutory Auditor)  
for and on behalf of  
**Price Bailey LLP**  
Chartered Accountants  
Statutory Auditors  
Bishop's Stortford

13 December 2019

**GILBERT INGLEFIELD ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GILBERT  
INGLEFIELD ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 10 September 2018 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 Gilbert Inglefield Academy Trust during the year 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 Gilbert Inglefield Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Gilbert Inglefield Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Gilbert Inglefield Academy Trust and ESFA, for our work, for this Report, or for the conclusion we have formed.

**Respective responsibilities of Gilbert Inglefield Academy Trust's Accounting Officer and the Reporting Accountant**

The Accounting Officer is responsible, under the requirements of Gilbert Inglefield Academy Trust's funding agreement with the Secretary of State for Education dated 14 March 2012 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 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.

**GILBERT INGLEFIELD ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO GILBERT INGLEFIELD ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

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

The work undertaken to draw our conclusions includes:

- An assessment of the risk of material irregularity, impropriety and non-compliance
- Consideration and corroboration of the evidence supporting the Accounting Officers statement on regularity, propriety and compliance and how the Trust complies with the framework of authorities.
- Evaluation of the general control environment of the Academy Trust, extending the procedures required for financial statements to include regularity, propriety and compliance
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, in order to support the regularity conclusion, including governance, internal controls, procurement and the application of income.

**Conclusion**

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

**Reporting Accountant**

**Price Bailey LLP**

Date: 13 December 2019

**GILBERT INGLEFIELD ACADEMY TRUST**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2019**

		Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Note						
<b>Income from:</b>						
Donations and capital grants	3	-	71,276	38,550	109,826	143,471
Charitable activities	4	-	2,188,705	-	2,188,705	2,108,023
Other trading activities	5	8,438	8,517	-	16,955	18,498
Investments	6	156	-	-	156	153
<b>Total income</b>		<b>8,594</b>	<b>2,268,498</b>	<b>38,550</b>	<b>2,315,642</b>	<b>2,270,145</b>
<b>Expenditure on:</b>						
Charitable activities		-	2,378,291	184,458	2,562,749	2,436,728
<b>Total expenditure</b>	7	<b>-</b>	<b>2,378,291</b>	<b>184,458</b>	<b>2,562,749</b>	<b>2,436,728</b>
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>8,594</b>	<b>(109,793)</b>	<b>(145,908)</b>	<b>(247,107)</b>	<b>(166,583)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial losses on defined benefit pension schemes	21	-	(230,000)	-	(230,000)	169,000
<b>Net movement in funds</b>		<b>8,594</b>	<b>(339,793)</b>	<b>(145,908)</b>	<b>(477,107)</b>	<b>2,417</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		31,884	(311,745)	6,391,405	6,111,544	6,109,127
Net movement in funds		8,594	(339,793)	(145,908)	(477,107)	2,417
<b>Total funds carried forward</b>		<b>40,478</b>	<b>(651,538)</b>	<b>6,245,497</b>	<b>5,634,437</b>	<b>6,111,544</b>

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

The notes on pages 23 to 43 form part of these financial statements.

**GILBERT INGLEFIELD ACADEMY TRUST**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 7883254**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	13	6,229,264	6,335,038
		<u>6,229,264</u>	<u>6,335,038</u>
<b>Current assets</b>			
Debtors	14	262,566	73,922
Cash at bank and in hand		148,995	193,419
		<u>411,561</u>	<u>267,341</u>
Creditors: amounts falling due within one year	15	(294,388)	(83,835)
<b>Net current assets</b>		<u>117,173</u>	<u>183,506</u>
<b>Total assets less current liabilities</b>		<u>6,346,437</u>	<u>6,518,544</u>
<b>Net assets excluding pension liability</b>		<u>6,346,437</u>	<u>6,518,544</u>
Defined benefit pension scheme liability	21	(712,000)	(407,000)
<b>Total net assets</b>		<u><u>5,634,437</u></u>	<u><u>6,111,544</u></u>
<b>Funds of the Academy</b>			
<b>Restricted funds:</b>			
Fixed asset funds	16	6,245,497	6,391,405
Restricted income funds	16	60,462	95,255
		<u>6,305,959</u>	<u>6,486,660</u>
Restricted funds excluding pension deficit	16	6,305,959	6,486,660
Pension reserve	16	(712,000)	(407,000)
<b>Total restricted funds</b>	16	<u>5,593,959</u>	<u>6,079,660</u>
<b>Unrestricted income funds</b>	16	<u>40,478</u>	<u>31,884</u>
<b>Total funds</b>		<u><u>5,634,437</u></u>	<u><u>6,111,544</u></u>

The financial statements on pages 20 to 43 were approved by the Trustees, and authorised for issue on 10/12/19 and are signed on their behalf, by:

  
Mr J Hassall  
Chair of Trustees

The notes on pages 23 to 43 form part of these financial statements.

**GILBERT INGLEFIELD ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**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 operating activities	18	(68,215)	(42,438)
<b>Cash flows from investing activities</b>	19	23,791	40,672
<b>Change in cash and cash equivalents in the year</b>		(44,424)	(1,766)
Cash and cash equivalents at the beginning of the year		193,419	195,185
<b>Cash and cash equivalents at the end of the year</b>	20	<u>148,995</u>	<u>193,419</u>

The notes on pages 23 to 43 form part of these financial statements

**GILBERT INGLEFIELD ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

**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), judgments and key sources of estimation uncertainty, is set out below.

**1.1 Basis of preparation of financial statements**

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

Gilbert Inglefield Academy Trust meets the definition of a public benefit entity under FRS 102.

**1.2 Going concern**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy 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 has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.3 Income**

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

• **Grants**

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

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

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

• **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 year it is receivable and to the extent the Academy has provided the goods or services.

**GILBERT INGLEFIELD ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies (continued)**

**1.4 Expenditure**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 Government grants**

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

**1.6 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**1.7 Taxation**

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

**GILBERT INGLEFIELD ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies (continued)**

**1.8 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 and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Long-term leasehold property	- 50 or 125 years straight line
Furniture and equipment	- 10 years straight line
Plant and machinery	- 5 years straight line
Computer equipment	- 10 years straight line
Motor vehicles	- 5 years straight line

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

**1.9 Debtors**

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

**1.10 Cash at bank and in hand**

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

**1.11 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 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.

**GILBERT INGLEFIELD ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies (continued)**

**1.12 Financial instruments**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**1.13 Pensions**

Retirement benefits to employees of the Academy 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 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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is 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 multi-employer scheme and the assets are held separately from those of the Academy in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

**GILBERT INGLEFIELD ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies (continued)**

**1.14 Fund accounting**

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy 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 Department for Education Group.

Investment income, gains and losses are allocated to the appropriate fund.

**2. Critical accounting estimates and areas of judgment**

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 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 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**GILBERT INGLEFIELD ACADEMY TRUST**  
(A Company Limited by Guarantee)

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

**3. Income from donations and capital grants**

	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	55,326	55,326	93,328
Capital grants	54,500	54,500	50,143
	<u>109,826</u>	<u>109,826</u>	<u>143,471</u>
Total 2018	<u>143,471</u>	<u>143,471</u>	

In 2018, income from donations was £93,328 of which all was restricted.

In 2018, income from capital grants was £50,143 of which all was restricted fixed assets.

**4. Funding for the Academy's educational activities**

	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
<b>DfE/ESFA grants</b>			
General Annual Grant (GAG)	1,909,798	1,909,798	1,890,764
Other DfE/EFA grants	173,215	173,215	164,549
	<u>2,083,013</u>	<u>2,083,013</u>	<u>2,055,313</u>
<b>Other government grants</b>			
Local Authority grants	105,692	105,692	52,710
	<u>2,188,705</u>	<u>2,188,705</u>	<u>2,108,023</u>

In 2018, income from DfE/ESFA was £2,055,313 of which all was restricted.

In 2018, income from other government grants was £52,710 of which all was restricted.

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**5. Income from other trading activities**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Facilities and services	8,438	-	8,438	11,793
Other activities	-	8,517	8,517	6,705
	<u>8,438</u>	<u>8,517</u>	<u>16,955</u>	<u>18,498</u>
Total 2018	<u>11,793</u>	<u>6,705</u>	<u>18,498</u>	

In 2018, income from Facilities and services was £11,793 of which all was unrestricted.

In 2018, income from Other activities was £6,705 of which all was restricted.

**6. Investment income**

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank interest	<u>156</u>	<u>156</u>	<u>153</u>

In 2018, all investment income was in relation to unrestricted funds.

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**7. Expenditure**

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
Educational activities:					
Direct costs	1,698,559	-	107,770	1,806,329	1,751,000
Support costs	332,458	279,838	144,124	756,420	685,728
	<u>2,031,017</u>	<u>279,838</u>	<u>251,894</u>	<u>2,562,749</u>	<u>2,436,728</u>
Total 2018	<u>1,875,908</u>	<u>275,230</u>	<u>285,590</u>	<u>2,436,728</u>	

In 2019 of the total expenditure £Nil (2018: £55,365) was unrestricted funds, £2,378,291 (2018: £2,250,387) was restricted funds and £184,458 (2018: £130,976) was from restricted fixed asset funds.

**8. Charitable Activities**

	2019 £	2018 £
Direct costs	1,806,329	1,751,000
Support costs	756,420	685,728
	<u>2,562,749</u>	<u>2,436,728</u>

**Analysis of support costs**

	2019 £	2018 £
Support staff costs	332,458	273,478
Depreciation costs	120,689	121,124
Governance costs	8,855	11,150
Technology costs	19,715	8,578
Premises costs (excluding depreciation)	159,149	154,106
Other support costs	115,554	117,292
	<u>756,420</u>	<u>685,728</u>

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**9. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Operating lease rentals	7,362	7,604
Depreciation of tangible fixed assets	120,689	121,124
Fees paid to Auditors for:		
- audit	6,300	6,120
- other services	2,555	4,380
	<u>          </u>	<u>          </u>

**10. Staff costs**

**a. Staff costs**

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	1,537,726	1,387,615
Social security costs	139,500	126,101
Pension costs	345,866	310,350
	<u>2,023,092</u>	<u>1,824,066</u>
Agency staff costs	7,925	51,842
	<u>2,031,017</u>	<u>1,875,908</u>

**b. Staff numbers**

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

	2019 No.	2018 No.
Teachers	23	27
Administration and Support	49	42
Management	4	1
	<u>76</u>	<u>70</u>

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**10. Staff costs (continued)**

**c. Higher paid staff**

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

	2019 No.	2018 No.
In the band £70,001 - £80,000	<u>1</u>	<u>1</u>

**d. Key management personnel**

The key management personnel of the 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 national insurance) received by key management personnel for their services to the Trust was £295,742 (2018: £298,790).

**11. Trustees' remuneration and expenses**

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

		2019 £'000	2018 £'000
M Griggs (Staff Governor) - Resigned 31/08/2018	Remuneration	-	40 - 45
	Pension contributions paid	-	5 - 10
R White (Staff Governor)	Remuneration	5 - 10	5 - 10
	Pension contributions paid	0 - 5	0 - 5
M Saracino (Staff Governor)	Remuneration	40 - 45	40 - 45
	Pension contributions paid	5 - 10	5 - 10
M Smith (Staff Governor)	Remuneration	15 - 20	10 - 15
S Adams, Head Teacher (Resigned 23 April 2019)	Remuneration	45 - 50	70 - 75
	Pension contributions paid	5 - 10	10 - 15
F Murphy, Head Teacher (Appointed 23 April 2019)	Remuneration	25 - 30	-
	Pension contributions paid	5 - 10	-
A Lawson (Staff Governor)	Remuneration	35 - 40	-
	Pension contributions paid	5 - 10	-

During the year ended 31 August 2019, no Trustee expenses have been incurred (2018 - £NIL).

**12. Trustees' and Officers' insurance**

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees 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 of this insurance is included in the total insurance cost.

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**13. Tangible fixed assets**

	Long-term leasehold property £	Assets under construction £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>						
At 1 September 2018	6,958,271	-	53,374	62,508	10,495	7,084,648
Additions	-	7,000	1,125	6,790	-	14,915
Disposals	-	-	-	-	(1,500)	(1,500)
At 31 August 2019	6,958,271	7,000	54,499	69,298	8,995	7,098,063
<b>Depreciation</b>						
At 1 September 2018	661,073	-	30,233	49,226	9,078	749,610
Charge for the year	107,533	12	5,431	6,296	1,417	120,689
On disposals	-	-	-	-	(1,500)	(1,500)
At 31 August 2019	768,606	12	35,664	55,522	8,995	868,799
<b>Net book value</b>						
At 31 August 2019	6,189,665	6,988	18,835	13,776	-	6,229,264
At 31 August 2018	6,297,198	-	23,141	13,282	1,417	6,335,038

**14. Debtors**

	2019 £	2018 £
<b>Due within one year</b>		
Trade debtors	201,719	1,580
VAT recoverable	24,692	8,035
Prepayments and accrued income	36,155	64,307
	262,566	73,922

**15. Creditors: Amounts falling due within one year**

	2019 £	2018 £
Other taxation and social security	35,159	31,275
Accruals and deferred income	259,229	52,560
	294,388	83,835

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**16. Statement of funds**

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>Unrestricted funds</b>						
General Funds	31,884	8,594	-	-	-	40,478
<b>Restricted general funds</b>						
GAG	-	1,909,798	(1,909,798)	-	-	-
Other DfE	-	65,750	(65,750)	-	-	-
Pupil Premium	-	131,234	(131,234)	-	-	-
OGG	-	97,873	(97,873)	-	-	-
Other income	95,255	63,843	(98,636)	-	-	60,462
LGPS	(407,000)	-	(75,000)	-	(230,000)	(712,000)
	<u>(311,745)</u>	<u>2,268,498</u>	<u>(2,378,291)</u>	<u>-</u>	<u>(230,000)</u>	<u>(651,538)</u>
<b>Restricted fixed asset funds</b>						
Government grants	-	30,731	-	(14,498)	-	16,233
Capital expansion	40,000	7,819	(63,769)	15,950	-	-
Capital expenditure from GAG	16,367	-	-	(16,367)	-	-
Fixed assets	6,335,038	-	(120,689)	14,915	-	6,229,264
	<u>6,391,405</u>	<u>38,550</u>	<u>(184,458)</u>	<u>-</u>	<u>-</u>	<u>6,245,497</u>
<b>Total Restricted funds</b>	<u>6,079,660</u>	<u>2,307,048</u>	<u>(2,562,749)</u>	<u>-</u>	<u>(230,000)</u>	<u>5,593,959</u>
<b>Total funds</b>	<u><u>6,111,544</u></u>	<u><u>2,315,642</u></u>	<u><u>(2,562,749)</u></u>	<u><u>-</u></u>	<u><u>(230,000)</u></u>	<u><u>5,634,437</u></u>

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**16. Statement of funds (continued)**

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

**Unrestricted funds**

This represents income received that does not have restrictions.

**General Annual Grant (GAG)**

This represents funding from the ESFA to cover the costs of recurrent expenditure.

**Other DfE/ESFA grants**

This represents specific allocated funding for the purpose of delivering education in line with the Funding Agreement.

**Pupil Premium**

This represents funding to help raise achievement and improve outcomes for pupils from low income families who are eligible for free school meals.

**Other Government grants (OGG)**

This includes funding provided for pupils with Statements of Special Educational Needs and is used by the Trust to assist with the pupils' education.

**Other income**

This comprises various other forms of restricted income, such as income towards school trips and donations for other purposes.

**Pension reserve (LGPS)**

This reserve represents the Trust's share of the deficit on the Local Government Pension Scheme (LGPS) transferred to the Trusts on conversion from state controlled schools.

**Restricted fixed asset funds**

These funds represent monies received in respect of and spent on fixed assets. This includes assets inherited on conversion. The total of resources expended within this fund includes the depreciation charge for the year.

**Capital Expansion Fund**

**This represents income received towards, and to be spent on, the expansion of the School.**

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

**GILBERT INGLEFIELD ACADEMY TRUST**  
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**16. Statement of funds (continued)**

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
<b>Unrestricted funds</b>						
Unrestricted funds	84,927	11,946	(55,365)	(9,624)	-	31,884
<b>Restricted funds</b>						
GAG	(35,673)	1,890,764	(1,855,091)	-	-	-
Other DfE	3,004	48,234	(51,238)	-	-	-
Pupil Premium	-	116,315	(116,315)	-	-	-
OGG	-	52,710	(52,710)	-	-	-
Other Income	95,255	100,033	(100,033)	-	-	95,255
LGPS	(501,000)	-	(75,000)	-	169,000	(407,000)
	(438,414)	2,208,056	(2,250,387)	-	169,000	(311,745)
<b>Restricted fixed asset funds</b>						
Government grants	736,989	10,143	(9,852)	(737,280)	-	-
Government Capital Grants	227,143	-	-	(227,143)	-	-
Capital expansion	-	40,000	-	-	-	40,000
Capital expenditure from GAG	66,553	-	-	(50,186)	-	16,367
Fixed Assets	5,431,929	-	(121,124)	1,024,233	-	6,335,038
	6,462,614	50,143	(130,976)	9,624	-	6,391,405
<b>Total Restricted funds</b>	6,024,200	2,258,199	(2,381,363)	9,624	169,000	6,079,660
<b>Total funds</b>	6,109,127	2,270,145	(2,436,728)	-	169,000	6,111,544

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**17. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	6,229,264	6,229,264
Current assets	40,478	354,850	16,233	411,561
Creditors due within one year	-	(294,388)	-	(294,388)
Provisions for liabilities and charges	-	(712,000)	-	(712,000)
<b>Total</b>	<b>40,478</b>	<b>(651,538)</b>	<b>6,245,497</b>	<b>5,634,437</b>

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	6,335,038	6,335,038
Current assets	31,884	179,090	56,367	267,341
Creditors due within one year	-	(83,835)	-	(83,835)
Provisions for liabilities and charges	-	(407,000)	-	(407,000)
<b>Total</b>	<b>31,884</b>	<b>(311,745)</b>	<b>6,391,405</b>	<b>6,111,544</b>

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**18. Reconciliation of net expenditure to net cash flow from operating activities**

	2019 £	2018 £
Net expenditure for the year (as per Statement of Financial Activities)	(247,107)	(166,583)
<b>Adjustments for:</b>		
Depreciation	119,189	121,124
Capital grants from DfE and other capital income	(38,550)	(50,143)
Interest receivable	(156)	(153)
Defined benefit pension scheme cost less contributions payable	75,000	61,000
Defined benefit pension scheme finance cost	-	14,000
Fixed asset disposal	1,500	-
(Increase)/decrease in debtors	(188,644)	4,356
Increase/(decrease) in creditors	210,553	(26,039)
<b>Net cash used in operating activities</b>	<b>(68,215)</b>	<b>(42,438)</b>

**19. Cash flows from investing activities**

	2019 £	2018 £
Interest received	156	153
Purchase of tangible fixed assets	(14,915)	(9,624)
Capital grants from DfE/ESFA	38,550	50,143
<b>Net cash provided by investing activities</b>	<b>23,791</b>	<b>40,672</b>

**20. Analysis of cash and cash equivalents**

	2019 £	2018 £
Cash in hand	148,995	193,419

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**21. Pension commitments**

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Bedford Borough 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 or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities.

In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

**The Teachers' Pension Budgeting and Valuation Account**

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

**Valuation of the Teachers' Pension Scheme**

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

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**21. Pension commitments (continued)**

The employer's pension costs paid to TPS in the year amounted to £170,213 (2018 - £157,900).

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 has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy has set out above the information available on the scheme.

**Scheme Changes**

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £134,000 (2018 - £109,000), of which employer's contributions totalled £108,000 (2018 - £88,000) and employees' contributions totalled £ 26,000 (2018 - £21,000). The agreed contribution rates for future years are 24.6 per cent for employers and 5.5-12.5 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 academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

**Principal actuarial assumptions**

	2019 %	2018 %
Rate of increase in salaries	2.55	2.70
Rate of increase for pensions in payment/inflation	2.25	2.40
Discount rate for scheme liabilities	1.85	2.80
Inflation assumption (CPI)	2.25	2.40
Inflation assumption (RPI)	3.25	3.40

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

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**21. Pension commitments (continued)**

	2019 Years	2018 Years
<i>Retiring today</i>		
Males	20.7	22.4
Females	23.2	24.5
<i>Retiring in 20 years</i>		
Males	21.7	24.0
Females	24.7	26.2

As at the 31 August 2019 the Trust had a pension liability £712,000 (2018 - £407,000). The sensitivity analysis detailed below would increase/(decrease) the closing defined benefit obligation in the following way;

**Sensitivity analysis**

	2019 £	2018 £
Discount rate +0.1%	(46,000)	(43,000)
Discount rate -0.1%	47,000	43,000
Mortality assumption - 1 year increase	79,000	16,000
Mortality assumption - 1 year decrease	(76,000)	(16,000)
CPI rate +0.1%	35,000	40,000
CPI rate -0.1%	(34,000)	(40,000)

The Academy's share of the assets in the scheme was:

	At 31 August 2019 £	At 31 August 2018 £
Equities	1,201,000	911,000
Corporate bonds	270,000	220,000
Property	164,000	141,000
Cash and other liquid assets	81,000	298,000
<b>Total market value of assets</b>	<b>1,716,000</b>	<b>1,570,000</b>

The actual return on scheme assets was £44,000 (2018 - £74,000).

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**21. Pension commitments (continued)**

The amounts recognised in the Statement of Financial Activities are as follows:

	2019 £	2018 £
Current service cost	(161,000)	(149,000)
Past service cost	11,000	-
Interest income	45,000	36,000
Interest cost	(55,000)	(50,000)
Administrative expenses	1,000	-
<b>Total amount recognised in the Statement of Financial Activities</b>	<b>(183,000)</b>	<b>(163,000)</b>

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

	2019 £	2018 £
<b>At 1 September</b>	1,977,000	1,918,000
Current service cost	161,000	149,000
Interest cost	55,000	50,000
Employee contributions	26,000	21,000
Actuarial losses/(gains)	229,000	(131,000)
Benefits paid	(31,000)	(30,000)
Past service costs	11,000	-
<b>At 31 August</b>	<b>2,428,000</b>	<b>1,977,000</b>

Changes in the fair value of the Academy's share of scheme assets were as follows:

	2019 £	2018 £
<b>At 1 September</b>	1,570,000	1,417,000
Interest income	45,000	36,000
Actuarial (losses)/gains	(1,000)	38,000
Employer contributions	108,000	88,000
Employee contributions	26,000	21,000
Benefits paid	(31,000)	(30,000)
Administration expenditure	(1,000)	-
<b>At 31 August</b>	<b>1,716,000</b>	<b>1,570,000</b>

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**22. Members' liability**

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

**23. Related party transactions**

Owing to the nature of the Academy's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a Trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

During the year, the Trust made payments of £30,387 (2018:15,292) to Vandyke Upper School, an Academy of which Mr J Hassall and Mr D Packer are Trustees, in respect of services provided. The balance outstanding at the year end was £Nil (2018: £Nil).

During the year, the Trust received money totalling £1,671 (2018: £Nil) from Vandyke Upper School, an Academy of which Mr J Hassall and Mr D Packer are trustees, in respect of services provided. The balance outstanding at the year end was £Nil (2018: £Nil).

These transactions do not fall under the 'at cost' principles as the related parties have less than 20% of the voting rights and do not have a pecuniary interest.

There were no other related party transactions in the year ended 31 August 2019.