

**REGISTERED COMPANY NUMBER: 08434359 (England and Wales)**

**REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 AUGUST 2018  
FOR  
QUEEN'S PARK INFANT ACADEMY**



**Carter & Coley Limited  
Chartered Accountants and Statutory Auditor  
3 Durrant Road  
Bournemouth  
Dorset  
BH2 6NE**

**QUEEN'S PARK INFANT ACADEMY**

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FOR THE YEAR ENDED 31 AUGUST 2018**

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**QUEEN'S PARK INFANT ACADEMY**

**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**MEMBERS**

R Frias-Robles  
Mrs V M Green  
Reverend A M Evans

**TRUSTEES**

Mrs T M Edwards (Headteacher)  
Reverend A M Evans (Minister Of Religion)  
R Frias-Robles (Architectural Technologist)  
Mrs V M Green (Retired)  
Ms J L Ledun (None)  
Ms M A Lucas (Teacher) (appointed 18/9/2017)  
D Maynard-Smith (Teacher) (resigned 5/10/2017)  
Ms C E Pigott (Company Director) (resigned 6/9/2018)  
Ms S E Varley (NHS Project Manager)  
Mrs S J White (School Business Manager) (resigned  
14/9/2018)  
Mrs F Blanchard (Deputy Headteacher) (appointed  
1/9/2017)

**COMPANY SECRETARY**

Humphries Kirk Services Limited

**REGISTERED OFFICE**

East Way  
Bournemouth  
Dorset  
BH8 9PU

**REGISTERED COMPANY  
NUMBER**

08434359 (England and Wales)

**AUDITORS**

Carter & Coley Limited  
Chartered Accountants and Statutory Auditor  
3 Durrant Road  
Bournemouth  
Dorset  
BH2 6NE

**QUEEN'S PARK INFANT ACADEMY**

**REFERENCE AND ADMINISTRATIVE DETAILS  
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**BANKERS**

Lloyds  
45-47 Old Christchurch Road  
Bournemouth  
Dorset  
BH1 1ED

**SOLICITORS**

Humphries Kirk  
40 High West Street  
Dorchester  
DT1 1UR

**SENIOR MANAGEMENT TEAM**

Mrs T Edwards – Headteacher  
Mrs F Blanchard - Deputy Headteacher  
Mrs S Adeney - Year Leader  
Mrs R Griffiths - Year Leader  
Miss G Hardman - Year Leader

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2018. The trustees have adopted the provisions of 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) (effective 1 January 2015) and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

The trust operates an Academy for pupils aged 4 to 7 serving a catchment area in north Bournemouth. It has a pupil capacity of 360.

### **OBJECTIVES AND ACTIVITIES**

#### **Objectives and aims**

The Academy Trust's objective is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing an Academy offering a broad and balanced curriculum.

#### **Significant activities**

Our objectives are set to reflect our educational aims and the ethos of the Academy. It is important to us that we maintain and enhance the academic success of the Academy. Key priorities for the period are contained in our School's Development Plan. Improvement focused on four priority areas:

- **English** - to improve the opportunities and outcomes for able readers. To increase outcomes for GD in Reading at the end of KS1- 30%
- Mathematics** -to continue to maintain high standards of mathematics teaching and learning across the school. 82% of children to achieve the Expected Standard by the end of KS1.
- **RE** - To implement the new Discovery syllabus across the school.
- **Leadership** - To continue to embed effective distributed leadership within and across school teams to ensure whole school development and improved outcomes for children.

Key activities are outlined in the Academy's Development Plan and their intended impacts are identified.

#### **Public benefit**

In setting our objectives and planning our activities the Trustees have given careful consideration to the guidance on public benefit by the Charity Commission.

The Academy aims to advance, for the public benefit, education in Bournemouth and the surrounding areas. As an Academy we have a duty to support other schools. We have continued working as part of a collaboration group of five local schools and during the year we have been working closely with a local Multi Academy Trust to this end.

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**FOR THE YEAR ENDED 31 AUGUST 2018**

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**STRATEGIC REPORT**

**Achievement and performance**

*Charitable activities*

- The pupil numbers on roll are consistent, with a waiting list for all three year groups.
- Our pupils are broadly in line with national in reading, writing and mathematics - at the expected standard - at the end of Key Stage 1. They are significantly above national in achieving in the greater depth standard in all three areas.
- We are continuing to develop our School Leadership Team in line with the objectives in the School's Improvement Plan.
- Our pupils attained above national at the end of EYFS in Good Level of Development, exceeding the Academy's target.
- Our pupils' attainment was below national in the phonic screen at the end of Year 1 and above national by the end of KS1.
- Ofsted carried out a one day Inspection in March 2018 and confirmed in its report that the school was Good in all areas

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**STRATEGIC REPORT**

**Achievement and performance**

*Key financial performance indicators*

Attainment at the end of KS1 in 2018 compared to National Data

This table shows the percentage of pupils attaining:

Working at the Expected Standard (EXS+), and working at Greater Depth within the Expected Standard (GDS), at Queens Park Infant Academy (QPIA), and nationally for the cohort 2018.

In this report, Expected is the level of attainment expected nationally at the end of Key Stage One.

Subject	Expected +		Greater Depth(within the expected standard)	
	QPIA	Nat	QPIA	Nat
Reading	78%	75%	34%	26%
Writing	70%	70%	25%	16%
Maths	75%	76%	25%	21%
R/W/M	68%	65%	22%	12%

**Reading**

- The attainment of EXS+ at QPIA is above national outcomes by 3%
- Those achieving GDS are above the national results by 8%

**Writing**

- Those achieving GDS are above the national results by 9%

**Maths**

- Those achieving GDS are above the national results by 12%

**Overall**

- The number of children reaching the expected standard in all 3 areas has been maintained (when compared with last year) and is above the national by 3%
- The number of children achieving greater depth within the expected standard in all 3 areas is above the national results by 10% (an increase of 9% when compared with last year).

Phonics standards at the end of KS1 in 2018 compared to National Data

- End of KS1 results are 97% at QPIA compared to 91% national outcomes (2017)

School's Development Plan for 2018-19

The Academy's School Development Plan outlines the key priorities for performance improvement as follows:

- To develop our inclusive Teaching and Learning practice.

Review our current teaching practice and learning opportunities for all children, particularly focusing on improving progress for vulnerable groups, i.e. PP, SEN, EAL in order to ensure that our practice is inclusive, and that all staff know how to support, ensure appropriate and timely intervention, and effectively track the learning of these groups.

- To improve outcomes for all pupils in writing at Exp (maintaining at GD). Enable more children to apply their skills independently in writing,

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**STRATEGIC REPORT**

**Financial review**

*Financial position*

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2018 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

During the period ended 31 August 2018 the generated income was £1,564,465 and incurred £1,501,242 of expenditure. The full details of the Trust's income and expenditure are shown in the financial statements.

Expenditure during the year has supported the key objectives of the Academy Trust, in particular, a continued focus on raising attainment in English and Maths at the end of KS1 - as set out in the 2017-18 School Development Plan.

The principal financial management policies adopted in the year are those contained in the Academy Financial Handbook and the Academy Funding Agreement.

*Investment policy and objectives*

Due to the nature of funding, the Academy may at times hold cash balances surplus to its short term requirements. Should money need to be set aside to fund larger capital projects or future expenditure and, is not immediately required, provisions would be made for it to be held in a bank account attracting a higher rate of interest.

*Reserves policy*

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including any future capital projects. The Academy Trust have worked hard to address the reduction in reserves reported in the 2015-16 Financial Statements. Adhering to a full costed three year budget plan and a comprehensive staff restructure have seen the Academy return to a more secure financial position. The Trustees priority will continue to be the provision of a high standard of education for all pupils, whilst ensuring financial security for the Academy going forward.

Whilst there is a significant deficit on the LGPS it is recognised that this is not an immediate liability and a planned level of overpayments are being made to address the issue.

As at 31 August 2018 general reserves were £163,343 are held by the academy (of which £92,487 were restricted) in addition to restricted fixed assets of £3,618,705 and a pension reserve of £1,050,000.

*Going concern*

As the entire activities of the trust were transferred to Ocean Learning Trust on 1 November 2018 the going concern basis is inappropriate but no restatement has been made in these financial statements as no fair value adjustments are expected to be required to the assets and liabilities shown in these financial statements when they are transferred to the multi-academy trust.

**Principal risks and uncertainties**

The principal risks and uncertainties facing the Academy are as follows:



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**STRATEGIC REPORT**

**Principal risks and uncertainties**

- Financial - the Academy has considerable reliance on continued Government funding and whilst this level is expected to continue, there is no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.
- Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.
- Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient number by maintaining the highest educational standard. To mitigate this risk, Trustees ensure that pupil success and achievement are closely monitored and reviewed.
- Safeguarding and Child Protection - the Trustees continue to ensure that the highest standard are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline.
- Staffing - the success of the Academy is reliant on the quality of its staff, so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.
- Fraud and mismanagement of funds - the Academy has appointed a Responsible Officer to carry out check on the financial records, as required by the Academy Financial Handbook.

**Financial and risk management objectives and policies**

There is no exposure to any financial instruments other than the use of bank balances, cash and trade creditors. Consequently the financial risks are deemed to be low.

The funding of the Local Government Pension Scheme is a major non-operational financial risk and this is shown on the Balance Sheet in Funds.

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**STRATEGIC REPORT**

**Plans for future periods**

We have reviewed the Academy's vision and values:

*Our passionate vision is to create an inclusive, nurturing school, which excites a love of learning. A school, which promotes high expectations, recognises achievement and celebrates success in all areas of development for all children.*

*At Queen's Park Infant Academy we know that every child is an individual with unique talents and we aim to foster these. We teach our children to take proactive responsibility for thinking about their own learning and thinking about how to learn together. We aim to develop resilient, self-aware lifelong learners.*

*Together in partnership we can nurture and encourage confident, caring, independent children. Children who enjoy learning and who always believe that they can achieve more tomorrow than they have today.*

*Respecting, Aspiring, Persevering*

*A Happy School; Learning, Caring, Succeeding Together*

This vision, together with our values, underpins **Our School Aims**:

- To create a happy environment, in which the children are well-motivated and well-mannered, and where everyone's best efforts are valued
- To recognise individual needs, and to enable all children to achieve success, by providing an inclusive school community, which gives equality of opportunity to all
- To help children to develop lively and enquiring minds, the ability to question and make connections, to discuss rationally, and to apply their knowledge to learning tasks and physical skills
- To help children develop positive attitudes, respect for self and others, an understanding of the world in which we live, and an appreciation of diversity in race, religion, culture and beliefs

The Academy will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

**The Future**

- We will continue to develop a strategic planning with a local MAT. Discussions with the Ocean Learning Trust were formalised and following a due diligence process Governors agreed to join this local Trust. The conversion date was 1 November 2018.
- Following the whole school staff restructure, we will continue to monitor its effectiveness to ensure educational and operational excellence going forward
- We will continue to work with partner schools within the MAT to improve the educational opportunities for pupils and professional development opportunities for staff.
- We will continue to support the development of a local Outstanding Teaching School with an SEND focus
- as a strategic partner.

**Key Objectives**

See School's Development Plan for 2018-19 above.

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Queen's Park Infant Academy are also the directors of the charitable company for the purposes of company law.

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' Indemnities**

Trustees benefit from indemnity insurance purchased at the Academy's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy, provided that any such insurance shall not extend to an claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy. The limit of this indemnity is £10,000,000 for each and every loss, as set at in the Membership Rules of the ESFA's RPA Scheme.

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

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

The number of Governors shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.

The trust shall be made up of the following Governors:

- Head Teacher
- Minimum of two Parent Governors, elected by parents of registered pupils at the Academy and must be a parent of a pupil at the Academy at the time when he/she is elected
- Up to two staff Governors. The members may appoint up to two staff Governors through such process as they may determine

Any contested election of Staff Governors or Parent Governors is held by secret ballot.

The total number of Governors (including the Head Teacher) who are employees of the Academy Trust shall not exceed one third of the total number of Governors.

The Governors may appoint up to six Co-opted Governors.

The term of office for any Governor shall be four years, subject to remaining eligible to be a particular type of governor, any governor may be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

**Organisational structure**

There are four committees, as follows:

- Resources meets half termly
- Curriculum meets termly
- Admissions meets four times a year
- Pay meet annually

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Academy to the Head Teacher. The Head Teacher delegates responsibility to the Senior Leadership Team (SLT).

The Senior Leadership Team consists of:

- Head Teacher - who is the Accounting Officer
- Deputy Head
- Head of Early Years
- Head of Year 1
- Head of Year 2

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**FOR THE YEAR ENDED 31 AUGUST 2018**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

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

The Trustees purchase a "Governor Services" Service Level Agreement from the Local Authority. This SLA provides advice and support, together with training for the entire Governing Body. All Trustees are invited to attend relevant in-house training - such as safeguarding training. New Trustees attend induction courses for a minimum of six hours within two terms of their appointment. For additional help and support, one of the serving Trustees is appointed as a mentor.

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

The Trustees purchase a HR and Payroll SLA from the Local Authority - Bournemouth Borough Council and the Academy's pay and remuneration is set in line with Bournemouth Borough Council's Model Pay Policy. The Pay Policy is intended to ensure that all employees paid from within the school budget are fairly and consistently treated in relation to pay and pay related issues. The policy adheres to the requirements of:

- The School Teachers' Pay and Conditions currently in use
- Conditions of Service for School teachers' in England and Wales (Burgundy Book. August 2000)
- The National Joint Council for Local Government Services National Agreement of Pay and Conditions of Service (Green Book)
- The School Staffing (England) Regulations 2009, and
- The Education (School Teachers Appraisal)(England) Regulations 2012

The Trustees and Head Teacher are responsible for setting the remuneration for the roles within school, with the Head Teacher and Senior Leadership Team being responsible for the staff's Performance Management and Appraisals. The recommendations from the Performance Management and Appraisals are taken to the annual Pay Committee Meeting for consideration and approval.

The Head Teacher delegates the day to day running of the Academy's pay to the School Business Manager. The School Business Manager manages the Academy's pay processes; in conjunction with Local Authority's Payroll Department - as outlined in its Service Level Agreement. The School Business Manager resigned from post on 14 September 2018.

**Trade union facility time**

The Academy Trust had one employee (full time equivalent of 0.7 employees) who was a relevant union official during the relevant period. They did not spend any facility time on union duties.

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

Queen's Park Pre-School has use of the Academy's play area and there is an informal shared use agreement between them and the Academy.

**FUNDS HELD AS CUSTODIAN FOR OTHERS**

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

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**AUDITORS**

The auditors, Carter & Coley Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 13 December 2018 and signed on the board's behalf by:



R Frias-Robles - Architectural Technologist

**QUEEN'S PARK INFANT ACADEMY**  
**GOVERNANCE STATEMENT**  
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**Scope of Responsibility**

As trustees, we acknowledge we have overall responsibility for ensuring that Queen's Park Infant Academy 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 of loss.

The board of the trustees has delegated the day-to-day responsibility to the Principal, 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 Queen's Park Infant Academy 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 of governance included here supplements that described in the Trustees' Report and in the Trustees' Responsibilities Statement. The Board of Trustees has formally met four times during the year. Attendance during the year at the meetings of the Board of Trustees was as follows:

Name of Governor	Governor Type	Term of Office		Attendance at FGB Meetings	Out of a Possible
		Start date	End date		
Mr Raf Frias-Robles	Chair of Governors			4	4
Mrs Tracey Edwards	Head Teacher & Chief Accounting Officer			4	4
	Chief Financial Officer & Associate				
Mrs Selina White	Governor			4	4
Rev Margaret Evans	Vice Chair of Governors			4	4
Mrs Valerie Green	Co-opted Governor			4	4
Mrs Jennifer Ledun	Parent Governor			1	4
Mrs Caroline Pigott	Parent Governor			1	4
Mrs Susan Varley	Parent Governor			4	4
Mrs F Blanchard	Staff Governor	Sept 17		3	4
Miss M Lucas	Staff Governor	Sept 17		4	4

The Board of Trustees have carried out a self-evaluation of the Governing Body of Queen's Park Infant Academy and the findings and the actions needed are listed below:-

- The Board of Trustees completed a self-evaluation and skills audit during the autumn term of 2017
- Based on the results of the self-evaluation and skills audit, the Board have been looking to recruit a Governor to join the Resources Committee who has financial experience:
- The Board of Trustees have been unable to find a suitable person to join the Resources Committee and, therefore, are:

**QUEEN'S PARK INFANT ACADEMY**

**GOVERNANCE STATEMENT**

**FOR THE YEAR ENDED 31 AUGUST 2018**

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- Discussing the possibility of amending the Articles of Association to allow for a suitable candidate for the Governor vacancy to be appointed, rather than elected from the parent body
- Continuing to make contact with local businesses to attract a suitable candidate for Governor vacancy

The Resources Committee is a sub-committee of the main Board of Trustees. Its purpose is to assist the main Governing Body by reviewing and providing recommendations on financial matters. Following the review of the staffing structure and its implementation the Committee have worked with the Head Teacher and School Business Manager to review its implementation and impact. This work was part of a financial recovery plan to ensure the school remains in a secure financial position going forward, whilst providing the best education possible for the pupils. Attendance at meetings in the year was as follows:-

Name of Governor	Governor Type	Term of Office		Attendance at Resource Meetings	Out of a Possible
		Start date	End date		
Mr Raf Frias-Robles	Chair of Governors			4	5
Mrs Tracey Edwards	Head Teacher & Chief Accounting Officer			5	5
Mrs Selina White	Chief Financial Officer & Associate			4	5
Rev Margaret Evans	Governor			4	5
Mrs Caroline Pigott	Vice Chair of Resources			2	5
Mrs Sue Varley	Parent Governor			5	5
Miss M Lucas	Parent Governor			5	5
	Staff Governor	Sept 17			

#### **Review of Value for Money**

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

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

- **Targeted improvement:** A new staffing structure came into effect on 1 September 2017 and has been reviewed throughout the year. In addition one post was not replaced when a resignation was received as provision was reassessed and another post had their request for reduced hours accepted. Utility contracts were reviewed during the year.
- **Focus on individual pupils:** Additional support staff continue to be employed to assist the class teachers with individual pupils on a one to one basis. Our Pupil Premium Funding has been used to provide intervention groups for our vulnerable pupils. This complex cohort has made progress but attainment is significantly below all pupils at Queen's Park Infant Academy and national figures.



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**Review of Value for Money**

- **Whole school initiatives:** During the year the PE & Sports Grant has continued to be used effectively to provide a wider range of coaches across the school - Street Dance, Football, Tennis and Gymnastics, to purchase PE equipment including a climbing frame and to also set up and fund after school Active Skill Clubs for children in Years 1 and 2. The new whole school reading scheme has been fully implemented across the school.

**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 charitable company 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 Queen's Park Infant Academy for the period 1 September 2017 to 31 August 2018 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 charitable company 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 on-going process for identifying, evaluating and managing the charitable company's significant risks that has been in place for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

**The Risk and Control Framework**

The Academy'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
- identification and management of risks

The Board of Trustees has considered the ongoing need for a specific internal audit function and this function is carried out by an external company - historically School Business Services and, with effect from June 2018, Carter & Coley Limited.

During the year the internal auditors gave advice on financial matters and performed a range of checks on the Academy's financial systems. In particular the checks carried out in the current period included:

- reviewed the financial control documents, to ensure they were current and had been reviewed recently
- tested the procurement/purchasing systems
- checked that budget monitoring reports are prepared on a monthly basis

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**GOVERNANCE STATEMENT**  
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**The Risk and Control Framework**

On a termly basis, the internal auditors report to the School Business Manager and the Accounting Officer on the operation of the systems of control and on the discharge of Board of Trustees' financial responsibilities.

The internal audit function has been fully delivered in line with the EFA requirements. No material control issues arising as a result of the internal audit work have been identified.

On conversion this risk requirement will fall within the Trust remit.

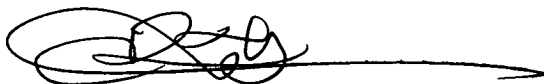
**Review of Effectiveness**

As Accounting Officer, the Head Teacher has responsibility for reviewing the effectiveness of the systems of internal control. During the period in question the review has been informed by:

- the work of the internal auditors
- the work of the external auditors
- the work of the School Business Manager who has 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 ensure continuous improvements of the system is in place.

Approved by order of the members of the board of trustees on 13 December 2018 and signed on its behalf by:



R Frias-Robles - Architectural Technologist



Mrs Tracey Edwards - Accounting Officer

## QUEEN'S PARK INFANT ACADEMY

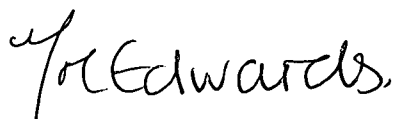
### STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2018

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As accounting officer of Queen's Park Infant Academy I have considered my responsibility to notify the charitable company board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the charitable company, under the funding agreement in place between the charitable company 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 2017.

I confirm that I and the charitable company board of trustees are able to identify any material irregular or improper use of all funds by the charitable company, or material non-compliance with the terms and conditions of funding under the charitable company's funding agreement and the Academies Financial Handbook 2017.

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.



Mrs Tracey Edwards - Accounting Officer

13 December 2018

## QUEEN'S PARK INFANT ACADEMY

### STATEMENT OF TRUSTEES RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2018

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The trustees (who act as governors of Queen's Park Infant Academy and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with the Academies Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgements and estimates that are reasonable and prudent;
- 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 to 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 the ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the board of trustees on 13 December 2018 and signed on its behalf by:



R Frias-Robles - Architectural Technologist

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF QUEEN'S PARK INFANT ACADEMY**

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### **Opinion**

We have audited the financial statements of Queen's Park Infant Academy (the 'charitable company') for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2017 to 2018.

### **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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We draw attention to note 1 in the financial statements, which indicates that the charitable company transferred all of its activities to Ocean Learning Trust on 1 November 2018. As stated in note 1, this event indicates that the charitable company ceased to be a going concern from that date. Our opinion is not modified in respect of this matter.

### **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 Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and 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, 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF QUEEN'S PARK INFANT ACADEMY**

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

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

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

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

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees Responsibilities, 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

### **Our 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 a Report of the Independent Auditors 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 Report of the Independent Auditors.

### **Use of our report**

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
QUEEN'S PARK INFANT ACADEMY**

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Andrew A Clark FCA (Senior Statutory Auditor)  
for and on behalf of Carter & Coley Limited  
Chartered Accountants and Statutory Auditor  
3 Durrant Road  
Bournemouth  
Dorset  
BH2 6NE

13 December 2018

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO QUEEN'S PARK INFANT ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Queen's Park Infant Academy during the period 1 September 2017 to 31 August 2018 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 Queen's Park Infant Academy and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Queen's Park Infant Academy and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Queen's Park Infant Academy and the ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Queen's Park Infant Academy's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Queen's Park Infant Academy's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

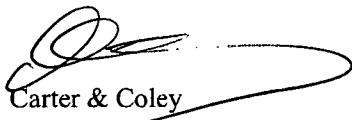


**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO  
QUEEN'S PARK INFANT ACADEMY AND THE EDUCATION AND SKILLS FUNDING  
AGENCY**

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**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Carter & Coley  
3 Durrant Road  
Bournemouth  
Dorset  
BH2 6NE

13 December 2018

**QUEEN'S PARK INFANT ACADEMY**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

				2018	2017	
	Notes	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset Fund £	Total funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and capital grants	2	-	4,122	-	4,122	1,594
<b>Charitable activities</b>						
Funding for the academy's educational operations	3	2,100	1,489,934	-	1,492,034	1,649,684
Other trading activities	4	67,919	250	-	68,169	69,344
Investment income	5	140	-	-	140	136
<b>Total</b>		<b>70,159</b>	<b>1,494,306</b>	<b>-</b>	<b>1,564,465</b>	<b>1,720,758</b>
<b>EXPENDITURE ON</b>						
<b>Charitable activities</b>						
Academy's educational operations		43,925	1,582,317	110,943	1,737,185	1,846,120
<b>NET INCOME/ (EXPENDITURE)</b>						
		26,234	(88,011)	(110,943)	(172,720)	(125,362)
<b>Transfers between funds</b>	19	-	(19,476)	19,476	-	-
		26,234	(107,487)	(91,467)	(172,720)	(125,362)
<b>Other recognised gains/(losses)</b>						
Actuarial gains/losses on defined benefit schemes		-	212,000	-	212,000	(191,000)
<b>Net movement in funds</b>		<b>26,234</b>	<b>104,513</b>	<b>(91,467)</b>	<b>39,280</b>	<b>(316,362)</b>
<b>RECONCILIATION OF FUNDS</b>						
<b>Total funds brought forward</b>		<b>44,622</b>	<b>(1,062,026)</b>	<b>3,710,172</b>	<b>2,692,768</b>	<b>3,009,130</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>70,856</b>	<b>(957,513)</b>	<b>3,618,705</b>	<b>2,732,048</b>	<b>2,692,768</b>

The notes form part of these financial statements

**QUEEN'S PARK INFANT ACADEMY**

**BALANCE SHEET  
AT 31 AUGUST 2018**

				2018	2017
	Notes	Unrestricted fund £	Restricted funds £	Restricted Fixed Asset Fund £	Total funds £
<b>FIXED ASSETS</b>					
Intangible assets	12	-	-	1,289	-
Tangible assets	13	-	-	<u>3,617,416</u>	<u>3,710,172</u>
		-	-	3,618,705	3,710,172
<b>CURRENT ASSETS</b>					
Stocks	14	3,857	-	-	3,146
Debtors	15	634	35,885	-	34,586
Cash at bank and in hand		<u>67,331</u>	<u>188,826</u>	-	<u>226,594</u>
		71,822	224,711	-	264,326
<b>CREDITORS</b>					
Amounts falling due within one year	16	(966)	(132,224)	-	(144,730)
<b>NET CURRENT ASSETS</b>		<u>70,856</u>	<u>92,487</u>	-	<u>119,596</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		70,856	92,487	3,618,705	3,829,768
<b>PENSION LIABILITY</b>	20	-	(1,050,000)	-	(1,137,000)
<b>NET ASSETS</b>		<u>70,856</u>	<u>(957,513)</u>	<u>3,618,705</u>	<u>2,692,768</u>

The notes form part of these financial statements

**QUEEN'S PARK INFANT ACADEMY**

**BALANCE SHEET - CONTINUED  
AT 31 AUGUST 2018**

		2018	2017
		<b>Total funds £</b>	Total funds £
<b>FUNDS</b>	Notes 19		
<b>Unrestricted funds:</b>			
General fund		70,856	44,622
<b>Restricted funds:</b>			
Restricted general funds		92,487	74,974
Pension fund		(1,050,000)	(1,137,000)
Restricted fixed assets - On conversion		3,590,194	3,687,899
Capital expenditure from revenue		<u>28,511</u>	<u>22,273</u>
		<u>2,661,192</u>	<u>2,648,146</u>
<b>TOTAL FUNDS</b>		<u><b>2,732,048</b></u>	<u><b>2,692,768</b></u>

The financial statements were approved by the Board of Trustees on 13 December 2018 and were signed on its behalf by:

  
R Frias-Robles -Architectural Technologist

The notes form part of these financial statements

**QUEEN'S PARK INFANT ACADEMY**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

	Notes	2018 £	2017 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	<u>48,899</u>	<u>116,760</u>
<b>Net cash provided by (used in) operating activities</b>		<u>48,899</u>	<u>116,760</u>
 <b>Cash flows from investing activities:</b>			
Purchase of intangible fixed assets		(1,719)	-
Purchase of tangible fixed assets		(17,757)	(8,849)
Interest received		<u>140</u>	<u>136</u>
<b>Net cash provided by (used in) investing activities</b>		<u>(19,336)</u>	<u>(8,713)</u>
 <b>Change in cash and cash equivalents in the reporting period</b>		 <u>29,563</u>	 <u>108,047</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>226,594</u>	<u>118,547</u>
 <b>Cash and cash equivalents at the end of the reporting period</b>		 <u>256,157</u>	 <u>226,594</u>

The notes form part of these financial statements

**QUEEN'S PARK INFANT ACADEMY**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	<b>(172,720)</b>	<b>(125,362)</b>
<b>Adjustments for:</b>		
Depreciation	<b>110,943</b>	112,416
Interest received	<b>(140)</b>	(136)
Increase in stocks	<b>(711)</b>	(3,146)
(Increase)/decrease in debtors	<b>(1,933)</b>	1,188
(Decrease)/increase in creditors	<b>(11,540)</b>	3,800
Difference between pension charge and cash contributions	<b><u>125,000</u></b>	<b><u>128,000</u></b>
<b>Net cash provided by (used in) operating activities</b>	<b><u>48,899</u></b>	<b><u>116,760</u></b>

**QUEEN'S PARK INFANT ACADEMY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

---

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2017 to 2018 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Queen's Park Infant Academy meets the definition of a public benefit entity under FRS 102.

**Going concern**

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

As the entire activities of the trust were transferred to Ocean Learning Trust on 1 November 2018 the going concern basis is inappropriate but no restatement has been made in these financial statements as no fair value adjustments are expected to be required to the assets and liabilities shown in these financial statements when they are transferred to the multi-academy trust.

**Critical accounting judgements and key sources of estimation uncertainty**

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

**Critical accounting estimates and assumptions**

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions 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 2017 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

## QUEEN'S PARK INFANT ACADEMY

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 AUGUST 2018

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#### 1. ACCOUNTING POLICIES - continued

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

##### **Governance costs**

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

##### **Allocation and apportionment of costs**

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

##### **Intangible fixed assets**

Intangible assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Website

**25% on cost**



## QUEEN'S PARK INFANT ACADEMY

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 AUGUST 2018

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#### 1. ACCOUNTING POLICIES - continued

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold	- Straight line over 25 years
Improvements to property	- 10% on cost
Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Computer equipment	- 33% on cost

No depreciation is provided in respect of land.

Assets costing £250 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. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy.

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

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

##### **Financial instruments**

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in the notes. 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 the notes. 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.

##### **Stocks**

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

## **QUEEN'S PARK INFANT ACADEMY**

### **NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 AUGUST 2018**

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#### **1. ACCOUNTING POLICIES - continued**

##### **Taxation**

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

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

##### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

##### **Hire purchase and leasing commitments**

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

## QUEEN'S PARK INFANT ACADEMY

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 AUGUST 2018

---

#### 1. ACCOUNTING POLICIES - continued

##### **Pension costs and other post-retirement benefits**

Academy staff are members of one of two defined benefit schemes.

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, are contracted out of the State Earnings-Related Scheme (SERPS), and the assets are held separately from those of the Academy.

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 quinquennial valuations using a prospective benefit model. The TPS is a multi employer scheme and the Academy is unable to identify its share of underlying net assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions are recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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 gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

##### **Liabilities**

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

#### 2. DONATIONS AND CAPITAL GRANTS

	2018	2017
	£	£
Donations	<u>4,122</u>	<u>1,594</u>

**QUEEN'S PARK INFANT ACADEMY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2018**

**3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>2018 Total funds £</b>	<b>2017 Total funds £</b>
Grants	-	1,489,934	1,489,934	1,647,984
Non-government income	<u>2,100</u>	<u>-</u>	<u>2,100</u>	<u>1,700</u>
	<u><u>2,100</u></u>	<u><u>1,489,934</u></u>	<u><u>1,492,034</u></u>	<u><u>1,649,684</u></u>

An analysis of grants received is given below:

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>2018 Total funds £</b>	<b>2017 Total funds £</b>
<b>DfE/ESFA revenue grant</b>				
General Annual Grant(GAG)	-	1,305,933	1,305,933	1,439,769
Other DfE/ESFA grants	<u>-</u>	<u>162,970</u>	<u>162,970</u>	<u>169,032</u>
	-	1,468,903	1,468,903	1,608,801
<b>Other government grant</b>				
Other government grants	<u>-</u>	<u>21,031</u>	<u>21,031</u>	<u>39,183</u>
	<u><u>-</u></u>	<u><u>1,489,934</u></u>	<u><u>1,489,934</u></u>	<u><u>1,647,984</u></u>

**4. OTHER TRADING ACTIVITIES**

	<b>2018 £</b>	<b>2017 £</b>
Fundraising events	1,602	1,381
Shop income	5,458	5,833
Swimming income	1,844	1,820
Bee Happy after school club	44,827	44,609
Hire of facilities	7,518	6,792
Trips and visits	6,877	6,826
Misc income	<u>43</u>	<u>2,083</u>
	<u><u>68,169</u></u>	<u><u>69,344</u></u>

**QUEEN'S PARK INFANT ACADEMY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2018**

**5. INVESTMENT INCOME**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Deposit account interest	<u><b>140</b></u>	<u><b>136</b></u>

**6. EXPENDITURE**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
	<b>Staff costs</b>	<b>Non-pay expenditure</b>
	<b>£</b>	<b>Premises Other costs</b>
	<b>£</b>	<b>£ £</b>
<b>Charitable activities</b>		
<b>Academies educational operations</b>		
Direct costs	<b>1,131,249</b>	<b>- 50,100</b>
Allocated support costs	<u><b>149,257</b></u>	<u><b>186,108 220,471</b></u>
	<u><b>1,280,506</b></u>	<u><b>186,108 270,571</b></u>
	<u><b>1,280,506</b></u>	<u><b>1,737,185</b></u>
	<u><b>1,280,506</b></u>	<u><b>1,846,120</b></u>

Net income/(expenditure) is stated after charging/(crediting):

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Auditors' remuneration	<b>4,900</b>	<b>3,660</b>
Auditors' remuneration for non-audit work	<b>1,625</b>	<b>5,940</b>
Depreciation - owned assets	<b>110,513</b>	<b>112,416</b>
Hire of plant and machinery	<b>11,024</b>	<b>9,673</b>
Website amortisation	<u><b>430</b></u>	<u><b>-</b></u>

**7. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
	<b>Unrestricted funds</b>	<b>Restricted funds</b>
	<b>£</b>	<b>£</b>
Direct costs	<b>10,329</b>	<b>1,171,020</b>
Support costs	<u><b>33,596</b></u>	<u><b>522,240</b></u>
	<u><b>43,925</b></u>	<u><b>1,693,260</b></u>
	<u><b>43,925</b></u>	<u><b>1,737,185</b></u>
	<u><b>43,925</b></u>	<u><b>1,846,120</b></u>

**QUEEN'S PARK INFANT ACADEMY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**7. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS - continued**

	<b>2018</b>	<b>2017</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Analysis of support costs</b>		
Support staff costs	149,257	142,569
Depreciation	18,714	20,187
Technology costs	14,513	11,287
Premises costs	186,108	170,863
Other support costs	180,719	152,565
Governance costs	<u>6,525</u>	<u>9,600</u>
<b>Total support costs</b>	<b><u>555,836</u></b>	<b><u>507,071</u></b>

# QUEEN'S PARK INFANT ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 AUGUST 2018

### 8. TRUSTEES' REMUNERATION AND BENEFITS

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment and not in respect of their roles as trustees. Other trustees did not receive any payments, other than expenses, from the academy in respect of their role as trustees. The value of trustees' remuneration (in bands of £5,000) was as follows:

	2018	2017
Mrs T Edwards - remuneration	£60,001 - £65,000	£55,001 - £60,000
Employer's pension contributions	£10,001 - £15,000	£5,001 - £10,000
Ms H Wood - remuneration	-	£45,001 - £50,000
Employer's pension contributions	-	£5,001 - £10,000
Mrs T Brennan - remuneration	-	£10,001 - £15,000
Employer's pension contributions	-	£1 - £5,000
Mrs S White - remuneration	£25,001 - £30,000	£25,001 - £30,000
Employer's pension contributions	£1 - £5,000	£1 - £5,000
Mrs F Blanchard - remuneration	£45,001 - £50,000	-
Employer's pension contributions	£5,001 - £10,000	-
Miss M Lucas - remuneration	£35,001 - £40,000	-
Employer's pension contributions	£5,001 - £10,000	-

#### Trustees' expenses

There were no trustees' expenses paid for the year ended 31st August 2018 nor for the year ended 31st August 2017.

# **QUEEN'S PARK INFANT ACADEMY**

## **NOTES TO THE FINANCIAL STATEMENTS - CONTINUED** **FOR THE YEAR ENDED 31 AUGUST 2018**

### **9. STAFF COSTS**

	2018	2017
	£	£
Wages and salaries	922,080	1,033,967
Social security costs	73,385	84,987
Operating costs of defined benefit pension schemes	<u>252,068</u>	<u>284,331</u>
	1,247,533	1,403,285
Supply teacher costs	32,973	19,790
Compensation payments	<u>-</u>	<u>22,008</u>
	<u><u>1,280,506</u></u>	<u><u>1,445,083</u></u>

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

	2018	2017
Teachers	17	14
Administration and Support	31	36
Management	<u>5</u>	<u>6</u>
	<u><u>53</u></u>	<u><u>56</u></u>

### **KEY MANAGEMENT PERSONNEL**

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £367,811 (2017: £370,461).

### **10. TRUSTEES' AND OFFICERS' INSURANCE**

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



**QUEEN'S PARK INFANT ACADEMY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2018**

**11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	<b>Unrestricted fund £</b>	<b>Restricted funds £</b>	<b>Restricted Fixed Asset Fund £</b>	<b>Total funds £</b>
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and capital grants	-	1,594	-	1,594
<b>Charitable activities</b>				
Funding for the academy's educational operations	1,700	1,647,984	-	1,649,684
Other trading activities	69,344	-	-	69,344
Investment income	136	-	-	136
<b>Total</b>	<b>71,180</b>	<b>1,649,578</b>	<b>-</b>	<b>1,720,758</b>
<b>EXPENDITURE ON</b>				
<b>Charitable activities</b>				
Academy's educational operations	39,949	1,693,755	112,416	1,846,120
<b>NET INCOME/(EXPENDITURE)</b>	<b>31,231</b>	<b>(44,177)</b>	<b>(112,416)</b>	<b>(125,362)</b>
<b>Transfers between funds</b>	<b>-</b>	<b>(8,849)</b>	<b>8,849</b>	<b>-</b>
<b>Net movement in funds</b>	<b>31,231</b>	<b>(53,026)</b>	<b>(103,567)</b>	<b>(125,362)</b>
<b>Other recognised gains/(losses)</b>				
Actuarial gains/losses on defined benefit schemes	-	(191,000)	-	(191,000)
<b>Net movement in funds</b>	<b>31,231</b>	<b>(244,026)</b>	<b>(103,567)</b>	<b>(316,362)</b>
<b>RECONCILIATION OF FUNDS</b>				
<b>Total funds brought forward</b>	<b>13,391</b>	<b>(818,000)</b>	<b>3,813,739</b>	<b>3,009,130</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>44,622</b>	<b>(1,062,026)</b>	<b>3,710,172</b>	<b>2,692,768</b>

QUEEN'S PARK INFANT ACADEMY

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2018

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12. INTANGIBLE FIXED ASSETS

	Website £
<b>COST</b>	
Additions	<u>1,719</u>
<b>AMORTISATION</b>	
Charge for year	<u>430</u>
<b>NET BOOK VALUE</b>	
At 31 August 2018	<u>1,289</u>
At 31 August 2017	<u>-</u>

**QUEEN'S PARK INFANT ACADEMY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2018**

**13. TANGIBLE FIXED ASSETS**

	<b>Long leasehold £</b>	<b>Improvements to property £</b>	<b>Plant and machinery £</b>
<b>COST</b>			
At 1 September 2017	3,977,000	26,393	3,027
Additions	<u>-</u>	<u>-</u>	<u>-</u>
At 31 August 2018	<u>3,977,000</u>	<u>26,393</u>	<u>3,027</u>
<b>DEPRECIATION</b>			
At 1 September 2017	321,761	5,083	1,585
Charge for year	<u>92,229</u>	<u>2,639</u>	<u>360</u>
At 31 August 2018	<u>413,990</u>	<u>7,722</u>	<u>1,945</u>
<b>NET BOOK VALUE</b>			
At 31 August 2018	<u>3,563,010</u>	<u>18,671</u>	<u>1,082</u>
At 31 August 2017	<u>3,655,239</u>	<u>21,310</u>	<u>1,442</u>
	<b>Fixtures and fittings £</b>	<b>Computer equipment £</b>	<b>Totals £</b>
<b>COST</b>			
At 1 September 2017	79,466	51,817	4,137,703
Additions	<u>11,655</u>	<u>6,102</u>	<u>17,757</u>
At 31 August 2018	<u>91,121</u>	<u>57,919</u>	<u>4,155,460</u>
<b>DEPRECIATION</b>			
At 1 September 2017	52,190	46,912	427,531
Charge for year	<u>9,733</u>	<u>5,552</u>	<u>110,513</u>
At 31 August 2018	<u>61,923</u>	<u>52,464</u>	<u>538,044</u>
<b>NET BOOK VALUE</b>			
At 31 August 2018	<u>29,198</u>	<u>5,455</u>	<u>3,617,416</u>
At 31 August 2017	<u>27,276</u>	<u>4,905</u>	<u>3,710,172</u>

Included in cost or valuation of land and buildings is leasehold land of £1,671,275 (2017 - £1,671,275) which is not depreciated.

**QUEEN'S PARK INFANT ACADEMY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2018**

**14. STOCKS**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Stocks	<u><b>3,857</b></u>	<u><b>3,146</b></u>

**15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade debtors	<b>682</b>	<b>1,914</b>
VAT	<b>9,916</b>	<b>5,985</b>
Prepayments and accrued income	<u><b>25,921</b></u>	<u><b>26,687</b></u>
	<u><b>36,519</b></u>	<u><b>34,586</b></u>

**16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>32,964</b>	<b>35,796</b>
Social security and other taxes	<b>18,143</b>	<b>20,907</b>
Pension control	<b>17,497</b>	<b>21,545</b>
Other creditors	<b>810</b>	<b>357</b>
Accruals and deferred income	<u><b>63,776</b></u>	<u><b>66,125</b></u>
	<u><b>133,190</b></u>	<u><b>144,730</b></u>

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Deferred income as at 1 September 2017	<b>50,747</b>	<b>68,116</b>
Resources deferred in year	<b>53,608</b>	<b>50,747</b>
Amounts released from previous years	<u><b>(50,747)</b></u>	<u><b>(68,116)</b></u>
Deferred income as at 31 August 2018	<u><b>53,608</b></u>	<u><b>50,747</b></u>

At the balance sheet date the academy trust was holding funds in advance in respect of grants and parental contributions received for the 2018/19 academic year.

**QUEEN'S PARK INFANT ACADEMY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2018**

**19. MOVEMENT IN FUNDS – continued**

Net movement in funds, included in the above are as follows:

	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Gains and losses £</b>	<b>Movement in funds £</b>
<b>Unrestricted funds</b>				
General fund	70,159	(43,925)	-	26,234
<b>Restricted funds</b>				
Restricted general funds	1,494,306	(1,457,317)	-	36,989
Pension fund	-	(125,000)	212,000	87,000
On conversion	-	(97,705)	-	(97,705)
Capital expenditure from revenue	-	(13,238)	-	(13,238)
	<u>1,494,306</u>	<u>(1,693,260)</u>	<u>212,000</u>	<u>13,046</u>
<b>TOTAL FUNDS</b>	<u><u>1,564,465</u></u>	<u><u>(1,737,185)</u></u>	<u><u>212,000</u></u>	<u><u>39,280</u></u>

**Comparatives for movement in funds**

	<b>At 1/9/16 £</b>	<b>Net movement in funds £</b>	<b>Transfers between funds £</b>	<b>At 31/8/17 £</b>
<b>Unrestricted Funds</b>				
General fund	13,391	31,231	-	44,622
<b>Restricted Funds</b>				
Restricted general funds	-	83,823	(8,849)	74,974
Pension fund	(818,000)	(319,000)	-	(1,137,000)
On conversion	3,786,551	(98,652)	-	3,687,899
Capital expenditure from revenue	<u>27,188</u>	<u>(13,764)</u>	<u>8,849</u>	<u>22,273</u>
	<u>2,995,739</u>	<u>(347,593)</u>	<u>-</u>	<u>2,648,146</u>
<b>TOTAL FUNDS</b>	<u><u>3,009,130</u></u>	<u><u>(316,362)</u></u>	<u><u>-</u></u>	<u><u>2,692,768</u></u>

**QUEEN'S PARK INFANT ACADEMY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2018**

**17. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2018	2017
	£	£
Within one year	10,416	10,102
Between one and five years	<u>4,409</u>	<u>10,883</u>
	<u>14,825</u>	<u>20,985</u>

**18. 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 a sum not exceeding £10 for the debts and liabilities contracted before they ceased to be a member.

**19. MOVEMENT IN FUNDS**

	At 1/9/17	Net movement in funds	Transfers between funds	At 31/8/18
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	44,622	26,234	-	70,856
<b>Restricted funds</b>				
Restricted general funds	74,974	36,989	<u>(19,476)</u>	92,487
— Pension fund	(1,137,000)	87,000	-	(1,050,000)
On conversion	3,687,899	(97,705)	-	3,590,194
Capital expenditure from revenue	<u>22,273</u>	<u>(13,238)</u>	<u>19,476</u>	<u>28,511</u>
	2,648,146	13,046	-	2,661,192
<b>TOTAL FUNDS</b>	<u>2,692,768</u>	<u>39,280</u>	<u>-</u>	<u>2,732,048</u>

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**QUEEN'S PARK INFANT ACADEMY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2018**

**19. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Gains and losses £</b>	<b>Movement in funds £</b>
<b>Unrestricted funds</b>				
General fund	71,180	(39,949)	-	31,231
<b>Restricted funds</b>				
Restricted general funds	1,649,578	(1,565,755)	-	83,823
Pension fund	-	(128,000)	(191,000)	(319,000)
On conversion	-	(98,652)	-	(98,652)
Capital expenditure from revenue	-	(13,764)	-	(13,764)
	<u>1,649,578</u>	<u>(1,806,171)</u>	<u>(191,000)</u>	<u>(347,593)</u>
<b>TOTAL FUNDS</b>	<u><u>1,720,758</u></u>	<u><u>(1,846,120)</u></u>	<u><u>(191,000)</u></u>	<u><u>(316,362)</u></u>

A current year 12 months and prior year 12 months combined position is as follows:

	<b>At 1/9/16 £</b>	<b>Net movement in funds £</b>	<b>Transfers between funds £</b>	<b>At 31/8/18 £</b>
<b>Unrestricted funds</b>				
General fund	13,391	57,465	-	70,856
<b>Restricted funds</b>				
Restricted general funds	-	120,812	(28,325)	92,487
Pension fund	(818,000)	(232,000)	-	(1,050,000)
On conversion	3,786,551	(196,357)	-	3,590,194
Capital expenditure from revenue	<u>27,188</u>	<u>(27,002)</u>	<u>28,325</u>	<u>28,511</u>
	<u>2,995,739</u>	<u>(334,547)</u>	<u>-</u>	<u>2,661,192</u>
<b>TOTAL FUNDS</b>	<u><u>3,009,130</u></u>	<u><u>(277,082)</u></u>	<u><u>-</u></u>	<u><u>2,732,048</u></u>

# QUEEN'S PARK INFANT ACADEMY

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 AUGUST 2018

### 19. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	141,339	(83,874)	-	57,465
<b>Restricted funds</b>				
Restricted general funds	3,143,884	(3,023,072)	-	120,812
Pension fund	-	(253,000)	21,000	(232,000)
On conversion	-	(196,357)	-	(196,357)
Capital expenditure from revenue	-	(27,002)	-	(27,002)
	<u>3,143,884</u>	<u>(3,499,431)</u>	<u>21,000</u>	<u>(334,547)</u>
<b>TOTAL FUNDS</b>	<u>3,285,223</u>	<u>(3,583,305)</u>	<u>21,000</u>	<u>(277,082)</u>

Under the funding agreements with the Secretary of State, the academy trust was not subject to limits on the amount of GAG that it could carry forward at 31 August 2018.

### 20. PENSION AND SIMILAR OBLIGATIONS

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Dorset County 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.

Contributions amounting to £17,497 were payable to the schemes at 31 August 2018 (2017: £21,545) and are included within creditors.

#### Teachers' pension scheme

##### Introduction

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

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



## QUEEN'S PARK INFANT ACADEMY

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 AUGUST 2018

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#### 20. PENSION AND SIMILAR OBLIGATIONS

##### - continued

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

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

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

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and would normally be payable from 1 April 2019. The ESFA have indicated that the new employer rate is likely to be about 23.6% but that the increase will be deferred until September 2019 and will be fully funded by the Department for Education.

The employer's pension costs paid to TPS in the period amounted to £85,920 (2017: £96,126).

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

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

##### **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 2018 was £94,000 (2017: £96,000), of which employer's contributions totalled £72,000 (2017: £73,000) and employees' contributions totalled £22,000 (2017: £23,000). The agreed contribution rates for future years are 18.8 per cent for employers and between 5.5 and 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.

**QUEEN'S PARK INFANT ACADEMY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2018**

**20. PENSION AND SIMILAR OBLIGATIONS**

**- continued**

The amounts recognised in the balance sheet are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Present value of funded obligations	<b>(1,893,000)</b>	(1,877,000)
Fair value of plan assets	<u><b>843,000</b></u>	<u>740,000</u>
	<u><b>(1,050,000)</b></u>	<u>(1,137,000)</u>
Deficit	<u><b>(1,050,000)</b></u>	<u>(1,137,000)</u>
Liability	<u><b>(1,050,000)</b></u>	<u>(1,137,000)</u>

The amounts recognised in the statement of financial activities are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Current service cost	<b>167,000</b>	184,000
Net interest from net defined benefit asset/liability	<u><b>49,000</b></u>	<u>17,000</u>
	<u><b>216,000</b></u>	<u>201,000</u>
Actual return on plan assets	<u><b>17,000</b></u>	<u>95,000</u>

**QUEEN'S PARK INFANT ACADEMY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2018**

**20. PENSION AND SIMILAR OBLIGATIONS**  
**- continued**

Changes in the present value of the defined benefit obligation are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Defined benefit obligation brought forward	<b>1,877,000</b>	1,458,000
Current service cost	<b>167,000</b>	184,000
Contributions by scheme participants	<b>22,000</b>	23,000
Interest cost	<b>49,000</b>	32,000
Benefits paid	<b>(7,000)</b>	(30,000)
Experience loss/(gain)	<b>-</b>	196,000
Remeasurements:		
Actuarial (gains)/losses from changes in demographic assumptions	<b>-</b>	49,000
Actuarial (gains)/losses from changes in financial assumptions	<b>(215,000)</b>	(35,000)
	<b><u>1,893,000</u></b>	<b><u>1,877,000</u></b>

Changes in the fair value of scheme assets are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Fair value of scheme assets brought forward	<b>740,000</b>	640,000
Contributions by employer	<b>72,000</b>	73,000
Contributions by scheme participants	<b>22,000</b>	23,000
Administration charge	<b>(1,000)</b>	-
Actuarial gains/(losses)	<b>-</b>	(61,000)
Benefits paid	<b>(7,000)</b>	(30,000)
Interest on assets	<b>20,000</b>	15,000
Return on plan assets (excluding interest income)	<b>(3,000)</b>	80,000
	<b><u>843,000</u></b>	<b><u>740,000</u></b>

**QUEEN'S PARK INFANT ACADEMY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2018**

**20. PENSION AND SIMILAR OBLIGATIONS**  
**- continued**

The amounts recognised in other recognised gains and losses are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Actuarial (gains)/losses from changes in demographic assumptions	-	(49,000)
Actuarial (gains)/losses from changes in financial assumptions	<b>215,000</b>	35,000
Return on plan assets (excluding interest income)	<b>(3,000)</b>	80,000
Other actuarial gains/(losses) on assets	-	(61,000)
Experience gains/(losses) on defined benefit obligation	-	<u>(196,000)</u>
	<u><b>212,000</b></u>	<u><b>(191,000)</b></u>

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2018</b>	<b>2017</b>
Equities	<b>55%</b>	56%
Gilts	<b>13%</b>	13%
Cash	<b>1%</b>	3%
Other Bonds	<b>7%</b>	11%
Diversified Growth Funding	<b>6%</b>	4%
Property	<b>10%</b>	9%
Infrastructure	<b>4%</b>	4%
Multi Asset Credit	<b>4%</b>	0%

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

	<b>2018</b>	<b>2017</b>
Discount rate	<b>2.65%</b>	2.6%
Future salary increases	<b>3.8%</b>	4.2%
Future pension increases	<b>2.3%</b>	2.7%
RPI	<b>2.3%</b>	3.6%
CPI	<b>3.3%</b>	2.7%
Commutation of pensions to lump sums	<b>50%</b>	50%

The assumed life expectations from age 65 are:

	<b>2018</b>	<b>2017</b>
Retiring Today		
Males	<b>24.0 Years</b>	23.9 Years
Females	<b>26.1 Years</b>	26.0 Years
Retiring in 20 years		
Males	<b>26.3 Years</b>	26.2 Years
Females	<b>28.5 Years</b>	28.3 Years

**QUEEN'S PARK INFANT ACADEMY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**20. PENSION AND SIMILAR OBLIGATIONS**  
**- continued**

The current mortality assumptions include sufficient allowance for future improvements in mortality rates.

The estimated value of employer contributions for the year ended 31 August 2019 is £72,000.

**Sensitivity**

A change of 0.1% in the assumed discount rate would cause the present value of the total obligation to change by approximately £47,000 and the projected service cost by £4,000.

A change of 1 year in the assumed mortality age would cause the present value of the total obligation to change by approximately £63,000 and the projected service cost by £5,000.

A change of 0.1% in the assumed salary increase would cause the present value of the total obligation to change by approximately £7,000 and the projected service cost by less than £1,000.

**21. RELATED PARTY DISCLOSURES**

During the period, other than the trustees' remuneration already disclosed, the following related party transactions took place.

Mrs H Mansell, daughter of Mrs V Green, a trustee and member, is employed by the academy trust as a PPA cover teacher. Mrs Mansell's appointment was made in open competition and Mrs Green was not involved in the decision making process regarding appointment. Mrs Mansell is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a trustee.