

Company Registration No. 08759430 (England and Wales)

ALEXANDRA INFANT SCHOOL
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2016



ALEXANDRA INFANT SCHOOL

CONTENTS

	Page
Reference and administrative details	1
Governors' report	2 - 8
Governance statement	9 - 11
Statement on regularity, propriety and compliance	12
Statement of governors' responsibilities	13
Independent auditor's report on the accounts	14 - 15
Independent reporting accountant's report on regularity	16 - 17
Statement of financial activities including income and expenditure account	18 - 19
Balance sheet	20
Statement of cash flows	21
Notes to the accounts including accounting policies	22 - 38

ALEXANDRA INFANT SCHOOL

REFERENCE AND ADMINISTRATIVE DETAILS

Governors

I Anderson (Chair of Governors)
K Agyei
A Bostridge
A Burt (Appointed 5 October 2016)
M Cenyako (Appointed 5 October 2016)
R Devlin (Accounting Officer) (Appointed 1 September 2016)
J Fishwick
G Jessup (Appointed 10 December 2015)
J Stimpson (Chair of Resources and Audit Committee)
M Caine (Resigned 1 October 2015)
V Foster (Resigned 14 October 2015)
M Frost (Resigned 6 June 2016)
D Kilbride (Appointed 10 December 2015 and resigned 9 November 2016)
M Lewis (Resigned 31 August 2016)
C Philip (Hutton) (Resigned 31 August 2016)

Members

I Anderson
J Stimpson
J Fishwick
A Bostridge

Senior leadership team

R Devlin - Headteacher
M Cenyako - Assistant Headteacher

Company registration number

08759430 (England and Wales)

Registered office

Kent House Road
Beckenham
Kent
BR3 1JG

Independent auditor

Wilkins Kennedy LLP
Greytown House
221-227 High Street
Orpington
BR6 0NZ

Bankers

Lloyds Bank Plc
6-8 Market Square
Bromley
Kent
BR1 1NA

Solicitors

Stone King LLP
16 St John's Lane
London
EC1M 4BS

ALEXANDRA INFANT SCHOOL

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2016

The Governors present their Annual Report together with the Accounts and independent auditor's reports of the charitable company for the period 1 September 2015 to 31 August 2016. The Annual Report serves the purposes of both a trustees' report, and a directors' report under company law.

The Academy Trust operates an academy for pupils aged 4 to 7. It has a pupil capacity of 198 and had a roll of 197 in the school census in January 2016.

Structure, governance and management

Constitution

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 Governors are the trustees of Alexandra Infant School and are also the directors of the charitable company for the purposes of company law. Details of the Governors who served during the year are included in the Reference and Administrative Details on page 1.

Alexandra Infant School was incorporated on 4 November 2013 and obtained Academy status from 1 December 2013.

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.

Method of recruitment and appointment or election of Governors

The original members of the Academy Trust comprised the signatories to the Memorandum, one person appointed by the Secretary of State, in the event that the Secretary of State appoints a person for this purpose, also the Chairman of the Governors and any person appointed under Section 16 of the Articles.

The number of Governors shall be not less than three, but shall not be subject to a maximum. The first Governors shall be those named in the statement delivered pursuant to sections 9 and 12 of the Companies Act 2006. The Academy Trust shall have up to; five Governors appointed under section 50 of the Articles; two Staff Governors; a minimum of two and up to three Parent Governors; the Headteacher and any further Governors if appointed under section 52 of the Articles. The Academy may also have any number of Co-opted Governors, a person who is appointed to be a Governor by being co-opted by Governors who have not themselves been so appointed. The Governors may not co-opt an employee of the Academy Trust as a Co-opted Governor if the number of Governors who are employed by the Academy Trust would thereby exceed one third of the total number of Governors (including the Headteacher).

The term of office for any Governor shall be four years, save that this time limit shall not apply to the Headteacher. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected.

Policies and procedures adopted for the induction and training of Governors

During the period under review the Governors held 3 full Governing Body meetings per year and two sub-committee meetings per term; Learning and Achievement and Resources and Audit. The training and induction provided for new Governors will depend on their existing experience. All new Governors will be given a tour of the Academy and the chance to meet with staff and students. All relevant Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors.

Governors have been able to take advantage of a Governors training package provided by Bromley Governor Services.

ALEXANDRA INFANT SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Organisational structure

The structure consists of the following levels: the Governors, Senior Leadership Team, Middle Leaders and School team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of budgets and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

The SLT are the Headteacher, Deputy Headteacher and the Assistant Head. These leaders control the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them. As a group the SLT are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment panels for senior leader posts will contain Governors.

Arrangements for setting pay and remuneration of key management personnel

In order to set pay and remuneration for key management personnel the school convenes a pay committee consisting of three governors none of which are members of staff. The committee sets the pay and remuneration for the Headteacher. The committee also considers recommendations received from the Headteacher, to whom such responsibility is delegated, for pay and remuneration of other members of staff. In making decisions the committee has regard to the school's pay policy, advice from its external HR consultant, and affordability given any budgetary implications, as well as the national school teachers' pay and conditions document. Except for the Headteacher and other staff governors, the trustees and school governors are volunteers and receive no pay or remuneration for undertaking their roles.

Related parties and other connected charities and organisations

The school is part of an Umbrella Trust which includes eight other primary schools. The Umbrella Trust is known as the Academy Learning Collaborative (ALC). The schools are all separate entities but they work together to promote good practice. The ALC employs an external educational consultant to monitor the standards in each school including governance. This is to ensure that all the ALC schools are providing a quality education for the pupils. In addition, should the need arise, additional support would be provided by the ALC should a school experience difficulties.

Objectives and activities

Objects and aims

Alexandra Infant School is a school with children aged 4 – 7. We are dedicated to providing high quality education which will enable all children to enjoy learning and to achieve their best. The school has a specialist provision for pupils with Autistic Spectrum Disorder (ASD). The provision is dedicated to provide an inclusive education for all.

The principal object of the Academy is specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

ALEXANDRA INFANT SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Objectives, strategies and activities

The main objectives of the Academy during the year ended 31 August 2016 are summarised below:

- Careful planning for learning so that children of all abilities can have their needs met by giving them the opportunities to learn at a pace that suits them.
- Creating a learning environment that teaches self-worth, tolerance and respect for others and where the achievements of individuals are celebrated. British values are taught through learning about respect, openness and tolerance of others.
- Maintaining a learning environment where everyone who is associated with us is encouraged to work in partnership; parents, teachers, governors, assistants, children and the community, so that we can constantly develop and improve.
- To sustain an environment where all our staff, both teaching and non-teaching, are highly valued for all the contributions they make and where they are encouraged to develop professionally.
- A commitment to teachers assessing children's understanding so that standards are monitored on a regular basis.
- A school that embraces equal opportunities.
- A school where prior learning is respected and built upon.

Alexandra Infant School values diversity and seeks to give everyone in the school an equal chance to learn, work and live, free from the action, or fear, of racism, discrimination, or prejudice. By our actions we work together to develop the potential of all pupils academically, socially, culturally and psychologically, and to establish a community that is just and fair for all people who work at or visit Alexandra Infant School.

Our aim is that pupils develop to be happy and healthy, enthused by the intellectual, social and physical challenges posed by their experience at school. They will be independent learners, aware of how to learn and of the role of emotions and dispositions in the learning process, which they draw on to address challenge and difficulty, as well as to succeed.

All staff have the opportunity to develop further as self-directed, reflective learners, through working collaboratively with others to enhance their own expertise. Through their passion, teachers will enthuse and inspire others to explore new ideas.

Parents will fulfill their roles as true partners, recognising their role in the student-school-parent partnership to ensure that their child realises his or her potential.

Governors will contribute to the life of the school on a wider scale, acting as critical friends to support the school as a nationally recognized centre of excellence.

The school also provides support and training for other schools and their staff and as a teaching school we are committed to contributing to the wider school system.

Public benefit

The Governors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the charity's aim and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

The school uses the Local Authority coordinated admission services. This ensures that pupils are allocated a place at a school in a fair and consistent manner. The Headteacher shows potential parents around the school in the autumn term. In 2016 we had 347 applications for a place at the school. The school remains very oversubscribed. The school is able to admit 60 places for reception.

ALEXANDRA INFANT SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Strategic report

Achievements and performance

The school has a specially resourced unit for ASD pupils. Achievement relative to these pupils starting point is outstanding (Ofsted 2011). Main school special educational need and disability (SEND) pupils also achieve at least good or better progress in all subjects.

In 2016 pupils achieved results higher than national averages for % Pupils working at Expected levels in Reading, Writing and Maths.

Reading			
% working at the expected standard and above			
	AIS	LA - Bromley	National
2015/16	92% 83%*	81%	74%
Writing			
% working at the expected standard and above			
	AIS	LA - Bromley	National
2015/16	76% 69% *	72%	65%
Maths			
% working at the expected standard and above			
	AIS	LA - Bromley	National
2015/16	81% 74%*	80%	73%

* Figures including the ASD Unit

Key performance indicators

- SLT monitor the quality of pupils work and the quality of learning each week to ensure that pupils are making accelerated progress.
- Attendance is monitored and is above national expectations
- Applications in 2016 for school places was 347 for 60 places.
- Effective staff appraisal which is performance related.
- Pupil progress meetings and rigorous tracking of all children is held each term.
- Use of outside advisors for monitoring learning and teaching and developing good practice.
- Meet educational objectives from recurrent grant funding.
- Maintain free reserves of one month's Academy spending.

Going concern

After making appropriate enquiries, the board of governors' has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason the board of governors' continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

ALEXANDRA INFANT SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Financial review

Most of the Academy's income is obtained from the Education Funding Agency (EFA) in the form of recurrent grants, some of which are restricted to particular purposes. The grants received from the EFA during the period ended 31 August 2016 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the EFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the period ended 31 August 2016, total expenditure of £1,550k (2015: £1,232k) was met by recurrent grant funding from the EFA together with other incoming resources. The excess of income over expenditure for the period (excluding restricted fixed asset funds and transfers to restricted fixed asset funds) was £19k (2015: £60k).

At 31 August 2016 the net book value of fixed assets was £6,359k (2015: £6,374k). Movements in tangible fixed assets are shown in note 11 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The London Borough of Bromley Pension Fund, in which the Academy participates, showed a deficit of £493k (2015: £301k) in respect of the Academy at 31 August 2016.

Financial position

The Academy held fund balances at 31 August 2016 of £6,124k (2015: £6,317k) comprising £6,018k (2015: £6,223k) of restricted funds and £106k (2015: £94k) of unrestricted general funds. Of the restricted funds, £6,359k (2015: £6,374k) is represented by tangible fixed assets.

The Pension reserve which is considered part of restricted funds was £493k (2015: £301k) in deficit.

Reserves policy

The Resources & Audit Committee reviews the Academy's reserve policy annually. The policy of the academy is to carry forward an appropriate level of resources designed to meet the long-term cyclical needs of renewal and any other unforeseen contingencies. The school uses a financial package that allows it to model the budget over a three year period. Due to rising staffing and other costs over the next few years and restricted Government funding an appropriate reserve provides security for the schools success.

The Governors have determined that the appropriate level of free reserves should be the value of approximately one month's Academy expenditure, £99k (2015: £92k). The level of free reserves held at 31st August totalled £106k (2015: £94k). The Governors are anticipating using the excess of reserves in the coming year.

Investment policy and powers

Under the Memorandum and Articles, the Academy has the power to invest funds not immediately required for its own purposes, in any way the Governors see fit. The organisation has a positive cash balance to cover eventualities and unforeseen expenses. The banking facilities are reviewed on a regular basis.

Principal risks and uncertainties

The principal risks and uncertainties that Alexandra Junior School faces are mitigated by the risk management process that the Academy Trust has in place.

ALEXANDRA INFANT SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Financial and risk management objectives and policies

The main financial risks to which Alexandra Infants School is exposed, taking account of the mitigations in place, relate the risk of an income shortfall due to the likelihood of further government spending reductions affecting our general grant. A risk also arises in relation to the defined benefit pension scheme, due to the fact that there is a deficit of £493k (2015:£301k).

Risk management

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The Governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. The Governors have introduced systems, including operational procedures and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement on page 9.

The Risks and Uncertainties facing the Academy are managed by the use of a Risk Register which details key risks identified by the SLT and by the Governors, and the strategies and control procedures in place to mitigate and respond. The Risk Register is reviewed annually, and was last reviewed in March 2016.

The principal risks facing the Academy are:

- Funding Arrangements where further cuts in grants are anticipated. The one and three year budgeting process is used to flag future changes in grants, and ensures planned resources allow the Academy to meet its objectives while staying within financial limits;
- Health and Safety. Strategies to manage this risk include a Health and Safety policy, appropriate staff induction and training, a rigorous approach to compliance and the use of external contractors to risk assess key areas and to devise and manage appropriate maintenance schedules;
- Recruitment and Retention of Staff. This is managed by the Leadership team who set clear expectations of the skills staff need and set a culture that ensures that staff feel supported and are able to develop professionally; and
- Technology risk including viruses, and data corruption. This is managed by having appropriate contractual arrangements in place including firewalls, remote back up and disaster recovery.

Plans for future periods

The Academy will continue striving to improve the levels of performance of its pupils at all levels and will continue its efforts to ensure its pupils reach their full potential.

The school has a good understanding of its strengths and areas for development based on rigorous analysis of data and monitoring of teaching and learning. The school also makes good use of external validation to secure its judgement on the quality of provision and subsequent outcomes. The School Development Plan (SDP) has appropriate areas identified for improvement and is based on regular analysis of data which is analysed by the Headteacher and the SLT. The SDP is regularly monitored and amended annually by the SLT and Governors. It is underpinned by appropriate budget links.

School improvement strategies are effective because subjects identified as previously underperforming have been successfully addressed through a combination of rigorous monitoring, continuous professional development, including analysis of results. The school makes good provision for personalised learning, support and intervention programmes for individual pupils and the quality of provision for inclusion is good.

The strive for improvement is evident in many aspects of school life, but particularly in the strong culture of collaboration, openness and commitment to professional learning.

ALEXANDRA INFANT SCHOOL

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Auditor

In so far as the Governors are aware:

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

The governors' report, incorporating a strategic report, was approved by order of the board of governors', as the company directors, on 7/12/16 and signed on its behalf by:



I Anderson

Chair of Governors

ALEXANDRA INFANT SCHOOL

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2016

Scope of responsibility

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

The board of governors has delegated the day-to-day responsibility to the Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Alexandra Infant School and the Secretary of State for Education. They are also responsible for reporting to the board of governors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The board of governors has formally met 3 times during the year. Attendance during the year at meetings of the board of governors was as follows:

Governors	Meetings attended	Out of possible
I Anderson (Chair of Governors)	3	3
K Agyei	0	3
A Bostridge	3	3
A Burt (Appointed 5 October 2016)	0	0
M Cenyako (Appointed 5 October 2016)	0	0
R Devlin (Accounting Officer) (Appointed 1 September 2016)	0	0
J Fishwick	3	3
G Jessup (Appointed 10 December 2015)	1	2
J Stimpson (Chair of Resources and Audit Committee)	3	3
M Caine (Resigned 1 October 2015)	0	0
V Foster (Resigned 14 October 2015)	0	0
M Frost (Resigned 6 June 2016)	0	2
D Kilbride (Appointed 10 December 2015 and resigned 9 November 2016)	1	2
M Lewis (Resigned 31 August 2016)	3	3
C Philip (Hutton) (Resigned 31 August 2016)	0	3

There have been a number of changes to the Board of Governors during and following the financial year. Following a number of informal discussions the Governors are confident that the current board is well-equipped to ensure the continuing success of the school.

ALEXANDRA INFANT SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

The Resources & Audit Committee is a sub-committee of the main governing body. Its purpose is to assist the decision making of the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the governing body's responsibility to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity. Major issues will be referred to the full governing body for ratification. This committee has also taken on the role of the audit committee and as such will review the reports issued by the internal auditor

Attendance at meetings in the year was as follows:

Governors	Meetings attended	Out of possible
I Anderson (Chair of Governors)	3	3
K Agyei	0	3
A Bostridge	1	3
G Jessup (Appointed 10 December 2015)	1	2
J Stimpson (Chair of Resources and Audit Committee)	3	3
M Frost (Resigned 6 June 2016)	0	2
M Lewis (Resigned 31 August 2016)	3	3

Review of value for money

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

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the Academy Trust has ensured value for money during the year by applying the principles of best value when making decisions regarding:

- The allocation of resources to best promote the aims and values of the school;
- The targeting of resources to best improve standards and quality of education;
- The use of resources to best support the various educational needs of all pupils.

The Academy has considered different options to secure the best costs and benefits of alternatives over the longer term. This was illustrated when the school tendered for a contractor to carry out repairs to the roof

The financial processes in place also aim to minimise administrative time when purchasing small value routine goods and services from reputable, well known suppliers (e.g. stationery and small equipment) by removing the need to tender for these low cost items.

The Academy Trust has taken advantage of consortium and group negotiation in respect of larger contracts to provide security, economies of scale and expertise in specialist areas. Examples include the academy's participation in the Bromley Primary Consortium Group for the provision of the catering contract, ensuring specialist expertise is accessed when negotiating the contract, securing business continuity for the service provision and agreed prices. In addition the Academy has secured best value using Essex County Council's insurance broking services to secure value for money with insurance services for the Academy.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Alexandra Infant School for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the Annual Report and Accounts.

ALEXANDRA INFANT SCHOOL

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Capacity to handle risk

The board of Governors has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2015 to 31 August 2016 and up to the date of approval of the Annual Report and Accounts. This process is regularly reviewed by the board of Governors.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the governors;
- regular reviews by the Resources and Audit 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 Governing Body has considered the need for a specific internal audit function and has contracted with Liberata, and external consultant to provide internal audit reviews. This role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. Reports are provided to the Governing Body twice per year on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities. The internal audit plan was carried out as planned. Some recommendations were made relating to authorization of financial transactions and these have been addressed. No material control issues were identified.

Review of effectiveness

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

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

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

Approved by order of the board of governors' on 31/8/16 and signed on its behalf by:



I Anderson
Chair of Governors



R Devlin
Accounting Officer

ALEXANDRA INFANT SCHOOL

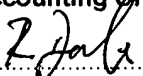
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2016

As accounting officer of Alexandra Infant School I have considered my responsibility to notify the board of governors and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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 governors' and EFA.

R Devlin
Accounting Officer


.....

ALEXANDRA INFANT SCHOOL

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2016

The Governors (who act as trustees for Alexandra Infant School and are also the directors of Alexandra Infant School for the purposes of company law) are responsible for preparing the Governors' Report and the accounts in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the Governors 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 2015 to 2016;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts 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 Governors 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 that grants received from EFA/DfE have been applied for the purposes intended.

The Governors 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the board of governors' on 7/12/16 and signed on its behalf by:



I Anderson
Chair of Governors

ALEXANDRA INFANT SCHOOL

INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF ALEXANDRA INFANT SCHOOL

We have audited the accounts of Alexandra Infant School for the year ended 31 August 2016 set out on pages 18 to 38. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

Respective responsibilities of Governors and auditors

As explained more fully in the Governors' Responsibilities Statement set out on page 13, the Governors, who are also the directors of Alexandra Infant School for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Governors; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Governors' Report including the incorporated strategic report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2016 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 the Academies Accounts Direction 2015 to 2016.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Governors' Report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts.

ALEXANDRA INFANT SCHOOL

INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF ALEXANDRA INFANT SCHOOL (CONTINUED)

Matters on which we are required to report by exception

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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Michelle Wilkes

Michelle Wilkes (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy LLP

Chartered Accountants

Statutory Auditor

Greytown House
221-227 High Street
Orpington
BR6 ONZ

Dated: 14/12/16

ALEXANDRA INFANT SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ALEXANDRA INFANT SCHOOL AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 10 February 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Alexandra Infant School during the period 1 September 2015 to 31 August 2016 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 Alexandra Infant School and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Alexandra Infant School and EFA 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 Alexandra Infant School and EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Alexandra Infant School's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Alexandra Infant School's funding agreement with the Secretary of State for Education dated 1 November 2013 and the Academies Financial Handbook, extant from 1 September 2015, 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 2015 to 2016. 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 2015 to 31 August 2016 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 2015 to 2016 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

ALEXANDRA INFANT SCHOOL

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ALEXANDRA INFANT SCHOOL AND THE EDUCATION FUNDING AGENCY (CONTINUED)

Conclusion

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2015 to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Wilkins Kennedy CP

Reporting Accountant

Wilkins Kennedy LLP
Greytown House
221-227 High Street
Orpington
BR6 ONZ

Dated: *16/12/16*.....

ALEXANDRA INFANT SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	Unrestricted Funds £'000	Restricted funds: General Fixed asset £'000 £'000	Total 2016 £'000	Total 2015 £'000
Income and endowments from:					
Donations and capital grants	2	4	1	12	17
Charitable activities:					
- Funding for educational operations	3	-	1,507	-	1,507
Other trading activities	4	8	-	-	8
Total income and endowments		<u>12</u>	<u>1,508</u>	<u>12</u>	<u>1,532</u>
Expenditure on:					
Charitable activities:					
- Educational operations	6	-	1,501	49	1,550
Total expenditure	5	<u>-</u>	<u>1,501</u>	<u>49</u>	<u>1,550</u>
Net income/(expenditure)		12	7	(37)	(18)
Transfers between funds		-	(22)	22	-
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension schemes	17	-	(175)	-	(175)
Net movement in funds		<u>12</u>	<u>(190)</u>	<u>(15)</u>	<u>(193)</u>
Reconciliation of funds					
Total funds brought forward		94	(151)	6,374	6,317
Total funds carried forward		<u>106</u>	<u>(341)</u>	<u>6,359</u>	<u>6,124</u>

ALEXANDRA INFANT SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2016

Comparative year information		Unrestricted	Restricted funds:		Total
Year ended 31 August 2015		Funds	General	Fixed asset	2015
	Notes	£'000	£'000	£'000	£'000
Income and endowments from:					
Donations and capital grants	2	3	7	-	10
Charitable activities:					
- Funding for educational operations	3	-	1,230	-	1,230
Other trading activities	4	8	-	-	8
Total income and endowments		11	1,237	-	1,248
Expenditure on:					
Charitable activities:					
- Educational operations	6	4	1,184	44	1,232
Total expenditure	5	4	1,184	44	1,232
Net income/(expenditure)					
		7	53	(44)	16
Transfers between funds					
		-	(32)	32	-
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension schemes	17	-	(13)	-	(13)
Net movement in funds		7	8	(12)	3
Reconciliation of funds					
Total funds brought forward		87	(159)	6,386	6,314
Total funds carried forward		94	(151)	6,374	6,317

ALEXANDRA INFANT SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2016

		2016	2015
	Notes	£'000	£'000
Fixed assets			
Tangible assets	11	6,359	6,374
Current assets			
Debtors	12	46	30
Cash at bank and in hand		492	307
		538	337
Current liabilities			
Creditors: amounts falling due within one year	13	(280)	(93)
Net current assets		258	244
Net assets excluding pension liability		6,617	6,618
Defined benefit pension liability	17	(493)	(301)
Net assets		6,124	6,317
Funds of the academy trust:			
Restricted funds	15		
- Fixed asset funds		6,359	6,374
- Restricted income funds		152	150
- Pension reserve		(493)	(301)
Total restricted funds		6,018	6,223
Unrestricted income funds	15	106	94
Total funds		6,124	6,317

The accounts set out on pages 18 to 38 were approved by the board of governors' and authorised for issue on 7/12/16 and are signed on its behalf by:


 I Anderson
 Chair of Governors

Company Number 08759430

ALEXANDRA INFANT SCHOOL

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	2016 £'000	2015 £'000
Net cash inflow from operating activities	18	207	78
Capital expenditure and financial investments			
Capital grants received	12	-	-
Payments to acquire tangible fixed assets	(34)	(32)	(32)
Net cash flow from capital activities		(22)	(32)
Increase in cash		185	46

ALEXANDRA INFANT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

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

1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006 (other than in respect of the disclosure of remunerations received by staff governors under employment contracts - see note 9 for details).

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

These accounts for the year ended 31 August 2016 are the first accounts of Alexandra Infant School prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 September 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 23.

1.2 Going concern

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

1.3 Income

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

Grants receivable

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

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Donations

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

ALEXANDRA INFANT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

Other income

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

Donated goods, facilities and services

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

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

Interest receivable

Interest receivable is included within the statement of financial activities on a receivable basis.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Governance costs

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

ALEXANDRA INFANT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

Tangible fixed assets acquired since the Academy was established are included in the accounts at cost. Assets costing less than £1,000 and a group of similar items costing £3,000 are written off in the period of acquisition. All other assets are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds the cost is transferred to the restricted fixed asset fund, depreciation on such assets is charged to the restricted fixed asset fund.

The property has been included at the valuation provided by the EFA when completing their desktop valuation.

The academy has a 125 year lease from the date of conversion on the land and buildings with the London Borough of Bromley.

Depreciation

Depreciation is provided on a straight line basis on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected

Land and buildings	Buildings 2%; Land is not depreciated
Computer equipment	33.3%
Fixtures, fittings & equipment	20%

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

1.6 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised 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 of services it must provide.

1.7 Leasing commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.8 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.

ALEXANDRA INFANT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

1.9 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 17, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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

1.10 Fund accounting

General funds represent those resources which may be used towards meeting any of the objects of the Academy at the discretion of the Governors.

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

Restricted funds comprise all other restricted funds received and include grants from the EFA and DfE.

1.11 Critical accounting estimates and areas of judgement

Accounting 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.

ALEXANDRA INFANT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 17, 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 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. 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.

Critical areas of judgement

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 11 for the carrying amount of the property plant and equipment, and note 1.5 for the useful economic lives for each class of assets.

Bad debts

Debtors are regularly reviewed for recoverability, any debts which in the opinion of management are not recoverable are provided for as a specific bad debt.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2016 £'000	Total 2015 £'000
Capital grants	-	5	5	-
Other donations	4	8	12	10
	<u>4</u>	<u>13</u>	<u>17</u>	<u>10</u>

ALEXANDRA INFANT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

3 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2016 £'000	Total 2015 £'000
DfE / EFA grants				
General annual grant (GAG)	-	1,071	1,071	940
Other DfE / EFA grants	-	346	346	173
	-	1,417	1,417	1,113
Other government grants				
Local authority grants	-	90	90	103
Other funds				
Other incoming resources	-	-	-	14
Total funding	-	1,507	1,507	1,230

4 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2016 £'000	Total 2015 £'000
Catering income	1	-	1	1
Other income	7	-	7	7
	8	-	8	8

5 Expenditure

	Staff costs £'000	Premises & equipment £'000	Other costs £'000	Total 2016 £'000	Total 2015 £'000
Academy's educational operations					
- Direct costs	917	27	75	1,019	878
- Allocated support costs	132	216	183	531	354
	1,049	243	258	1,550	1,232
Total expenditure	1,049	243	258	1,550	1,232

ALEXANDRA INFANT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

5	Expenditure	(Continued)	
	Net income/(expenditure) for the year includes:	2016	2015
		£'000	£'000
	Fees payable to auditor for:		
	- Audit	7	6
	- Other services	2	2
	Depreciation of tangible fixed assets	49	44
		<u> </u>	<u> </u>
6	Charitable activities	2016	2015
		£'000	£'000
	All from restricted funds:		
	Direct costs - educational operations	1,019	878
	Support costs - educational operations	531	354
		<u> </u>	<u> </u>
		1,550	1,232
		<u> </u>	<u> </u>
		2016	2015
		£'000	£'000
	Analysis of support costs		
	Support staff costs	132	123
	Depreciation and amortisation	22	17
	Technology costs	10	10
	Premises costs	213	66
	Other support costs	141	126
	Governance costs	13	12
		<u> </u>	<u> </u>
		531	354
		<u> </u>	<u> </u>
7	Governance costs	Total	Total
	All from restricted funds:	2016	2015
		£'000	£'000
	Amounts included in support costs		
	Legal and professional fees	3	3
	Auditor's remuneration		
	- Audit of financial statements	7	6
	- Other audit costs	2	2
	Other governance costs	1	1
		<u> </u>	<u> </u>
		13	12
		<u> </u>	<u> </u>

ALEXANDRA INFANT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

8 Staff costs

	2016 £'000	2015 £'000
Wages and salaries	755	611
Social security costs	62	44
Operating costs of defined benefit pension schemes	149	104
Staff costs	966	759
Supply staff costs	68	22
Staff development and other staff costs	15	59
Total staff expenditure	1,049	840

Staff numbers

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

	2016 Number	2015 Number
Teachers	11	8
Administration and support	24	21
Management	3	2
	38	31

Higher paid staff

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

	2016 Number	2015 Number
£80,001 - £90,000	1	-
£90,001 - £100,000	1	1

The numbers above include the interim Headteacher whose employment started from July 2016.

Key management personnel

The key management personnel of the academy trust comprise the Governors 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 £172k (2015: £214k)

ALEXANDRA INFANT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

9 Governors' remuneration and expenses

One or more of the Governors has been paid remuneration or has received other benefits from an employment with the academy trust. The Headteacher and other staff Governors only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff members under their contracts of employment, and not in respect of their services as Governors.

The value of governors' remuneration and other benefits was as follows:

M Lewis (Headteacher):

- Remuneration £80,000 - £85,000 (2015: £90,000 - £95,000)
- Employer's pension contributions £10,000 - £15,000 (2015: £10,000-£15,000)

M Frost and C Philip (nee Hutton) (staff):

- Remuneration £45,479 (2015: £93,590)
- Employer's pension contributions £8,304 (2015: £13,196)

The other staff Governors listed above only received remuneration for their role as a member of staff and the salaries have been aggregated as the Governors believe any further detailed breakdown would be prejudicial to the structure of the Governing Board.

During the year, childcare costs payments totalling £nil (2015: £75) were reimbursed or paid directly to no Governors (2015: one Governors).

Other related party transactions involving the Governors are set out within the related parties note.

10 Governors and officers insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31 August 2016 & 2015 cannot be ascertained as it is included in the general insurance premium.

ALEXANDRA INFANT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

11 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 September 2015	6,377	24	45	6,446
Additions	-	8	26	34
At 31 August 2016	6,377	32	71	6,480
Depreciation				
At 1 September 2015	48	11	13	72
Charge for the year	27	10	12	49
At 31 August 2016	75	21	25	121
Net book value				
At 31 August 2016	6,302	11	46	6,359
At 31 August 2015	6,329	13	32	6,374

Included in cost of leasehold land and buildings is land of £5,009,000 (2015: £5,009,000), which is not depreciated

12 Debtors

	2016 £'000	2015 £'000
Trade debtors	1	-
VAT recoverable	20	13
Prepayments and accrued income	25	17
	46	30

13 Creditors: amounts falling due within one year

	2016 £'000	2015 £'000
Trade creditors	94	-
Other taxation and social security	17	10
Other creditors	18	13
Accruals and deferred income	151	70
	280	93

ALEXANDRA INFANT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

14	Deferred income	2016 £'000	2015 £'000
	Deferred income is included within:		
	Creditors due within one year	37	32
		<u>37</u>	<u>32</u>
	Deferred income at 1 September 2015	32	39
	Released from previous years	(32)	(39)
	Amounts deferred in the year	37	32
		<u>37</u>	<u>32</u>
	Deferred income at 31 August 2016	37	32

At the balance sheet date the Academy Trust was holding funds received in advance for free school meals funding relating to financial year 2016/17.

15	Funds	Balance at 1 September 2015 £'000	Incoming resources £'000	Resources expended £'000	Gains, losses & transfers £'000	Balance at 31 August 2016 £'000
	Restricted general funds					
	General Annual Grant	128	1,071	(1,074)	(22)	103
	Other DfE / EFA grants	19	346	(316)	-	49
	Other government grants	-	90	(90)	-	-
	Other restricted funds	3	1	(4)	-	-
		<u>150</u>	<u>1,508</u>	<u>(1,484)</u>	<u>(22)</u>	<u>152</u>
	Funds excluding pensions	150	1,508	(1,484)	(22)	152
	Pension reserve	(301)	-	(17)	(175)	(493)
		<u>(151)</u>	<u>1,508</u>	<u>(1,501)</u>	<u>(197)</u>	<u>(341)</u>
		<u>150</u>	<u>1,508</u>	<u>(1,484)</u>	<u>(22)</u>	<u>152</u>
	Restricted fixed asset funds					
	DfE / EFA capital grants	-	5	-	(5)	-
	General fixed asset fund	6,374	7	(49)	27	6,359
		<u>6,374</u>	<u>12</u>	<u>(49)</u>	<u>22</u>	<u>6,359</u>
		<u>6,374</u>	<u>12</u>	<u>(49)</u>	<u>22</u>	<u>6,359</u>
	Total restricted funds	6,223	1,520	(1,550)	(175)	6,018
		<u>6,223</u>	<u>1,520</u>	<u>(1,550)</u>	<u>(175)</u>	<u>6,018</u>
	Unrestricted funds					
	General funds	94	12	-	-	106
		<u>94</u>	<u>12</u>	<u>-</u>	<u>-</u>	<u>106</u>
	Total funds	6,317	1,532	(1,550)	(175)	6,124
		<u>6,317</u>	<u>1,532</u>	<u>(1,550)</u>	<u>(175)</u>	<u>6,124</u>

ALEXANDRA INFANT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

15 Funds

(Continued)

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

General Annual Grant: Income received from the EFA to cover the normal running costs of the Academy.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

Other DFE/EFA grants: This includes the pupil premium, universal free school meals, CIF grant for roof works, the devolved formula capital grant and the sports funding grant, as well as an NLE grant to provide national school support.

Other government grants: This includes SEN funding, additional pupil premium received from the Local Authority and the staff insurance grant.

Other restricted funds: This includes the teaching school grant and funding from the PTA (within restricted fixed assets).

The transfer of funds relate to the purchase of fixed assets during the period.

16 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General Fixed asset £'000 £'000		Total 2016 £'000
Fund balances at 31 August 2016 are represented by:				
Tangible fixed assets	-	-	6,359	6,359
Current assets	106	432	-	538
Creditors falling due within one year	-	(280)	-	(280)
Defined benefit pension liability	-	(493)	-	(493)
	<u>106</u>	<u>(341)</u>	<u>6,359</u>	<u>6,124</u>

17 Pensions and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and that of the LGPS related to the period ended 31 March 2013.

Contributions amounting to £18,362 (2015: £12,674) were payable to the schemes at 31 August 2016 and are included within creditors.

ALEXANDRA INFANT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

17 Pensions and similar obligations

(Continued)

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.

Valuation of the Teachers' Pension Scheme

Not less than every four years 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 (currently 14.1%))
- 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%

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to the TPS in the period amounted to £81k (2015: £40k).

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 a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 26.4% for employers and 5.5 - 12.8% for employees. The estimated value of employer contributions for the forthcoming year is £xk.

ALEXANDRA INFANT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

17 Pensions and similar obligations

(Continued)

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.

Total contributions made	2016 £'000	2015 £'000
Employer's contributions	60	52
Employees' contributions	18	14
Total contributions	78	66

Principal actuarial assumptions	2016 %	2015 %
Rate of increases in salaries	3.3	3.6
Rate of increase for pensions in payment	1.9	2.1
Discount rate	2.1	3.9
Inflation assumption (CPI)	1.8	2.1

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

	2016 Years	2015 Years
Retiring today		
- Males	23.2	23.1
- Females	25.6	25.5
Retiring in 20 years		
- Males	25.5	25.4
- Females	28.5	28.4

The academy trust's share of the assets in the scheme	2016 Fair value £'000	2015 Fair value £'000
Equities	426	285
Other bonds	88	62
Cash	5	2
Other assets	51	40
Total market value of assets	570	389
Actual return on scheme assets - gain/(loss)	105	(13)

ALEXANDRA INFANT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

17 Pensions and similar obligations (Continued)

Amounts recognised in the statement of financial activities	2016 £'000	2015 £'000
Current service cost (net of employee contributions)	64	50
Net interest cost	11	11
Administration costs	2	1
Total operating charge	77	62

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £37k loss.

Changes in the present value of defined benefit obligations	2016 £'000	2015 £'000
Obligations at 1 September 2015	690	589
Current service cost	64	50
Interest cost	28	24
Employee contributions	18	14
Actuarial loss	263	13
At 31 August 2016	1,063	690

Changes in the fair value of the academy trust's share of scheme assets	2016 £'000	2015 £'000
Assets at 1 September 2015	389	311
Interest income	17	13
Return on plan assets (excluding amounts included in net interest):		
Actuarial gain	88	-
Employer contributions	60	52
Employee contributions	18	14
Administration costs	(2)	(1)
At 31 August 2016	570	389

ALEXANDRA INFANT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

18 Reconciliation of net income/(expenditure) to net cash flows from operating activities

	2016 £'000	2015 £'000
Net income/(expenditure) for the reporting period	(18)	16
Adjusted for:		
Capital grants from DfE/EFA and other capital income	(12)	-
Defined benefit pension costs less contributions payable	6	(1)
Defined benefit pension net finance cost/(income)	11	11
Depreciation of tangible fixed assets	49	44
(Increase)/decrease in debtors	(16)	5
Increase/(decrease) in creditors	187	3
Net cash provided by operating activities	207	78

19 Contingent liabilities

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay to the Education Funding Agency the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to:

- the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy; and
- the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

20 Capital commitments

	2016 £'000	2015 £'000
Expenditure contracted for but not provided in the accounts	42	-

21 Related party transactions

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

Last year the academy trust incurred support, intervention and procurement costs of £1,960 from the Academy Learning Collaborative.

ALEXANDRA INFANT SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

22 Members' liability

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

23 Reconciliations on adoption of FRS 102

Reconciliation of funds for the previous financial period

	1 September 2014 £'000	31 August 2015 £'000
Funds as reported under previous UK GAAP and under FRS 102	6,314	6,317
	=====	=====

Reconciliation of net income for the previous financial period

	Notes	2015 £'000
Net income as reported under previous UK GAAP		26
Adjustments arising from transition to FRS 102:		
Changes in recognition of LGPS interest	i	(10)
Net income reported under FRS 102		16
		=====

Notes to reconciliations on adoption of FRS 102

(i) Change in recognition of LGPS interest cost

Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in income/expense. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in income/expense. There has been no change in the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to reduce the credit to expenses by £9K and increase the debit in other recognised gains and losses in the SoFA by an equivalent amount.