

**Lindley Church Of England Infant School  
(A Company Limited by Guarantee)**

**Annual Report and Financial Statements  
Year ended 31 August 2019**



## **Lindley Church Of England Infant School**

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**Lindley Church Of England Infant School**  
**Reference and Administrative Details**

**Members**

K Jones  
I H F Gibbs (resigned 3 December 2018)  
C R Wilson  
Rev R N Firth  
B Black

**Trustees**

I H F Gibbs\* (resigned 20 May 2019)  
C R Wilson\*  
N D Beaumont (head teacher)\*  
A A Firth (staff trustee)\*  
J L Balmforth (staff trustee)  
Rev. R N Firth (ex officio)  
K E Chamberlain (Vice Chair)  
C L Coupland (resigned 4 December 2018)  
M Y Shire (resigned 4 December 2018)  
B Black  
A J Hamilton (Chair)\*  
R Jowett\*  
S Smith\*  
L Burke  
S Potts  
M Tomlinson (staff trustee appointed 21 September 2018)

\* Members of the Finance and Personnel Committees

**Senior management team**

Headteacher  
Deputy Headteacher  
Assistant Headteacher & SEN  
Early Years Co-ordinator

N D Beaumont  
A A Firth  
A O'Brien  
H Calland

**Company Name**

Lindley Church of England Infant School

**Principal and Registered Office**

East Street  
Lindley  
Huddersfield  
HD3 3NE

**Company Registration Number**

09058698 (England and Wales)

**Lindley Church Of England Infant School**  
**Reference and Administrative Details (continued)**

**Independent Auditor**

Gibson Booth Chartered Accountants  
and Statutory Auditors  
New Court  
Abbey Road North  
Shepley  
Huddersfield  
HD8 8BJ

**Bankers**

Lloyds Bank plc  
Westgate Huddersfield Branch  
PO Box 1000  
BX1 1LT

**Solicitors**

Browne Jacobson  
J Piccadilly Place  
Manchester  
M1 3BN

## **Lindley Church of England Infant School**

### **Trustees' Report**

The trustees present their annual report together with the financial statements and auditors' report of the charitable company for the period from 1 September 2018 to 31 August 2019. The annual report serves the purpose of both a trustees' report and a directors' report under company law.

The trust operates an academy for pupils aged 4-7 serving a catchment area in North Huddersfield. It has a pupil capacity of 360 and had a roll of 360 in the school census in October 2019.

### **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 trustees of Lindley Church of England Infant School are also the directors of the charitable company for the purposes of company law. The charitable company operates as Lindley Church of England Infant School.

Details of the trustees who served during the year, and to the date these accounts are approved are included in the reference and administrative details on page 1.

#### **Members' Liability**

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

#### **Trustees' Indemnities**

A trustee may benefit from any indemnity insurance purchased at the academy trust's expense to cover the liability of trustees which by virtue of any 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 trust.

Governors' liability (which includes trustees of an Academy Trust) is provided within the Risk Protection Arrangement (RPA) from the Department for Education up to a limit of £5,000,000 in any one membership year.

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

The management of the Academy Trust is the responsibility of the trustees who are elected and co-opted under the terms set out in the Articles of Association.

The four trustees are directors of the charitable company for the purposes of the Companies Act 2006 and trustees for the purposes of the charity legislation. Governors are appointed by members.

Governors are appointed as and when vacancies occur or when individuals with the skills required are identified. Parent governors shall be elected by parents of the registered pupils at the Academy Trust, using the procedures set out in the Articles of Association. The Secretary of State retains the power to appoint additional governors.

The foundation governors are nominated to the Governing Body and from recommendations made by the PCC of St Stephen's Church under the arrangements of the Diocese of Leeds.

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 reappointed or re-elected.

The governors who are currently in office and who served during the period are listed on page 1.

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

Training and induction for new governors is given on an individual basis and as soon as possible after appointment. Governors are invited to a meeting with the headteacher and given a copy of the Induction Policy for Governors, which includes a checklist of activities and information.

All new governors are given access to copies of key documents and information that they need to undertake their role. They will be given a named contact of an existing governor who will be available for mentoring support and guidance.

The academy buys into the Governor Learning and Development Package (GLAD) through Kirklees Council where governors can access induction training and attend additional training throughout the year.

A governor skills audit was completed in 2016/17 and training as appropriate was organised for governors. Another skills audit is planned for the 2019/20 academic and financial year.

## **Lindley Church of England Infant School**

### **Trustees' Report**

#### **Organisational Structure**

The Academy Trust began trading on 1 July 2014 and has developed a governance and management structure deemed appropriate to the Academy Trust's constitution and objects. The Academy Trust's organisational structure consists of the governors, the senior leadership team, middle leaders including teachers and support staff.

The governors are responsible for setting statutory policies, adopting a long-term strategic plan and an annual school improvement plan, setting the budget and monitoring its financial and operational performance as well as making strategic decisions about the direction of the Academy Trust, approving major items of expenditure and making senior staff appointments.

The Governing Body (GB) operates a committee structure reporting to the main GB. The 3 core committees meet each half term and include Resources, Standards and Effectiveness and Christian Values and Worship. All committees have approved terms of reference.

During the course of the period from 1 September 2018 to 31 August 2019 the full GB met 6 times.

The governors have approved a scheme of financial delegation which clearly sets out the level of authority delegated to the headteacher and school business manager.

The senior leadership team (SLT) manage the Academy Trust at an executive level, implement the policies laid down by governors and report back to them. The SLT is led by the headteacher who is the Academy Trust's Accounting Officer. Members of the SLT are responsible for developing and implementing Academy Trust policies and plans that seek to deliver the best possible outcomes for its students within the agreed budget and scheme of delegation approved by governors. Members of the SLT are set out on page 1.

The administration team, including the school business manager, are responsible for supporting health and safety, premises and facilities, resource management, HR infrastructure and financial management.

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

The academy adopts Kirklees Council's pay policy on an annual basis. The policy has been developed to comply with current legislation and the requirements of the School Teachers' Pay and Conditions Document (STPCD). Pay decisions are made by the Governing Body (GB) which has delegated certain responsibilities and decision making powers to the Resources Committee. The Resources Committee shall be responsible for the establishment and review of the pay policy, subject to the approval of the GB, and shall have full authority to take pay decisions on behalf of the GB in accordance with the pay policy. The headteacher shall be responsible for advising the Pay Committee on its decisions. Decisions regarding pay progression will be made with reference to the teachers' performance management reports and the pay recommendations they contain. The GB will ensure that each teacher's salary is reviewed annually with effect from 1 September. Each teacher would usually be notified of the outcome by no later than 31 October, the headteacher usually no later than 31 December each year. All teachers will receive a written statement setting out their salary and any other financial benefits to which they are entitled.

#### **Trade union facility time**

The Academy trust does not employ more than 49 full time equivalent employees therefore we do not provide Trade Union facility time.

#### **Connected Organisations, Including Related Party Relationships**

There are no connected charities or organisations.

#### **Objectives, Strategies and Activities**

##### **Aims and Objectives**

As set out in the Articles of Association, the Academy Trust's object is specifically restricted 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 with a designated Church of England religious character offering a broad and balanced curriculum (the "Academy") conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and having regard to any advice of the Diocesan Board of Education.

## **Lindley Church of England Infant School**

### **Trustees' Report**

#### **Aims:**

- Through a strong set of Christian values, children and adults are encouraged to respect themselves. They are taught to respect the rights and needs of others, thereby equipping them with the skills and attitudes to become successful global citizens of the future.
- To support children in developing a reflective approach to life and sensitivity to all God's creation by providing an awareness and experience of the living Christian faith through our strong Christian ethos.
- To support all children in reaching their full potential by providing a personalised education.
- To treat everyone with equality and fairness
- To have high expectations in a secure, friendly and caring atmosphere that rejoices in effort and success but where it is safe to make mistakes.
- To provide children with excellent learning experiences ensuring that learning is fun and exciting.
- To promote the health and well-being of our pupils and staff through a well planned, creative curriculum in an environment that promotes healthy lifestyle choices.
- To encourage and value the contributions that adults make to the education and care of our children.
- Through our firm Christian foundation, we encourage the school and wider community to work together in partnership, promoting community cohesion whilst strengthening and enriching the life of the school.

#### **Strategic Aims and Values**

The governors' strategic plan sets out the actions for the governors to deliver in their key role of setting the strategic direction of the school and monitoring achievements against the objective of continuous improvement. It provides a foundation for the annual school development plan (SDP), which is formulated by the headteacher and school staff and covers detailed improvements.

Monitoring of the SDP is in accordance with the Monitoring and Evaluation Policy. Progress on the SDP is a regular agenda item at senior leadership and staff meetings, as well as with governors' meetings at both full governing body meetings and committee meetings. Progress is indicated as fully/partially achieved and progress is detailed at the bottom of each individual target. Designated members of staff have responsibility to implement specific areas on the plan and specific governors have responsibility for monitoring certain targets. Outcomes are reported to the headteacher, who in turn informs governors of progress through the headteacher's termly report and at every governors' meeting as a set agenda item. At the end of the year the reviewed plan feeds into the school self-evaluation to highlight strengths and identify next development points.

#### **Public Benefit**

The Academy provides educational services to children in the local area. The trustees confirm that they have complied with the Charities Regulations 2008 to report those activities undertaken to further the charity's purpose and have paid due regard to the Charity Commission guidance on public benefit.

### **Strategic Report**

#### **Achievements and Performance**

The total number of students in the year ending 31 August 2019 was 356. The school has a PAN of 120 and is full with a waiting list for every year group. The school is heavily oversubscribed. There were 314 applications for September 2018 with 151 being first preference. There are no mixed ages classes with 4 classes in each year group. Each reception class has a full time teaching assistant.

#### **Overall Effectiveness**

- The effectiveness of leadership and management remains outstanding which results in outstanding quality of education. This is because robust audit systems have accurately identified areas for improvement and appropriate actions have had the necessary impact. Consequently, end of EYFS data, KS1 data and in-school tracking data clearly evidence that the proportion of pupils making better than expected progress from ALL starting points is high and in all cases attainment is above national average.
- Pupils' behaviour and attitudes and their personal development is outstanding, primarily evidenced through pupils' exceptionally strong attitudes to learning in school and the high priority placed upon personal development and well-being which results in such very young children taking an active role in school improvement.
- The school successfully promotes pupils' spiritual, moral, social and cultural development widely, supported by our exceptionally strong Christian ethos, embedded within the new curriculum and encompassed into almost all lessons.
- Safeguarding is highly effective, evidenced by school records and particularly the views of pupils and their parents, staff and governors.

# Lindley Church of England Infant School

## Trustees' Report

### EYFS Data

Children make rapid and sustained progress through the early years. Pupils enter early years with skills broadly typical for their age. A high proportion of pupils attain at least age-related expectations in the Early Learning Goals. By the end of early years, they are achieving above both LA and national averages in all areas.

### Results

#### 2018-2019 Results

#### Early Years Foundation Stage Results – Areas of Learning Summary

##### ASSESSMENTS

Item	Lindley Church of England Infant School (3303)			Local Authority - Kirklees		NCER National	
	Value			Value	Gap	Value	Gap
Good Level of Development ●	79.7%			69.7%	+10.0%	71.8%	+7.9%
Average Total Points Score	37.1			34.3	+2.8	34.6	+2.5
All Goals, Exp+	79.7%			68.7%	+11.0%	70.7%	+9.0%
Prime Goals, Exp+	89.0%			77.7%	+11.3%	79.2%	+9.8%
Com. & Lang. Goals, Exp+ ●	89.0%			80.6%	+8.4%	82.2%	+6.8%
Phys. Dev. Goals, Exp+ ●	94.1%			86.4%	+7.7%	87.1%	+7.0%
PSE Goals, Exp+ ●	90.7%			84.5%	+6.2%	84.8%	+5.9%
Specific Goals, Exp+	79.7%			69.3%	+10.4%	71.4%	+8.3%
Literacy Goals, Exp+ ●	81.4%			71.3%	+10.1%	73.4%	+8.0%
Maths Goals, Exp+ ●	85.6%			75.2%	+10.4%	78.5%	+7.1%
Und. The World Goals, Exp+	87.3%			82.3%	+5.0%	83.9%	+3.4%
Exp. Arts & Des. Goals, Exp+	95.8%			85.8%	+10.0%	87.2%	+8.6%

In July 2019 79.7% of pupils achieved a good level of development and this shows an improving trend over 3 years and is above the LA and national average.

#### Early Years Foundation Stage Results – Good Level of Development Summary

All Pupils	School numbers			School %			Kirklees LA %			National %		
	2017	2018	2019	2017	2018	2019	2017	2018	2019	2017	2018	2019
	118	120	118	78.8	79.2	79.7	68.2	69.4	69.7	71	71.6	71.8

#### Phonics Screening

In June 2019 120 Year 1 pupils took the phonics screening test. 86.7% of pupils passed the test. This is above the National and LA average

#### Key Stage 1 Data

At all levels in all subjects, children's attainment at the end of KS1 in 2019 was significantly higher than the national average

##### ASSESSMENTS

Subject	Level	Lindley Church of England Infant School (3303)			Local Authority - Kirklees		NCER National	
		Value			Value	Gap	Value	Gap
Reading	≥EXS	86.3%			72.7%	+13.6%	74.9%	+11.4%
	GDS	29.9%			22.4%	+7.5%	25.0%	+4.9%
Writing	≥EXS	77.8%			67.4%	+10.4%	69.2%	+8.6%
	GDS	22.2%			13.0%	+9.2%	14.8%	+7.4%
Maths	≥EXS	86.3%			73.9%	+12.4%	75.6%	+10.7%
	GDS	40.2%			20.3%	+19.9%	21.7%	+18.5%



# Lindley Church of England Infant School

## Trustees' Report

### 2017-2018 Results

#### Early Years Foundation Stage Results – Areas of Learning Summary

All Pupils		School No.	School %				Kirklees LA %				National %			
		Cohort	1	2	3	2+	1	2	3	2+	1	2	3	2+
Prime Areas	C&L	120	9.2	71.7	19.2	90.8	18.8	67.3	13.9	81.2	17.6	67.1	15.3	82.4
	PD	120	5.0	79.2	15.8	95	13.7	73.9	12.4	86.3	12.6	74.2	13.2	87.4
	PSED	120	5	80.8	14.2	95	13.9	75.8	10.2	86.1	14.8	74.8	10.4	85.2
Specific Areas	Lit	120	18.3	60.8	20.8	81.7	29.1	60.5	10.4	70.9	26.7	63	10.3	73.3
	Ma	120	15	60	25	85	23.8	63.2	13	76.2	21.6	65.5	12.9	78.4
	UTW	120	9.2	74.2	16.7	90.8	16.6	76	7.4	83.4	16	75.4	8.5	84
	EAD	120	3.3	74.2	22.5	96.7	13.5	75.4	11.1	86.5	12.8	74.7	12.4	87.2

In July 2018 79.2% of pupils achieved a good level of development and this shows an improving trend over 3 years and is above the LA and national average.

#### Early Years Foundation Stage Results – Good Level of Development Summary

All Pupils	School numbers			School %			Kirklees LA %			National %		
	2016	2017	2018	2016	2017	2018	2016	2017	2018	2016	2017	2018
	120	118	120	75	78.8	79.2	66.8	68.2	69.4	69.3	71	71.6

#### Phonics Screening

In June 2018, 120 Year 1 pupils took the phonics screening test. 85% of pupils passed the test. This is above the National and LA average

#### Key Stage 1 Data

At all levels in all subjects, children's attainment at the end of KS1 in 2018 was significantly higher than the national average

		<EXS	EXS+	GDS
Reading	School	8.3	91.7	33.3
	LA	27.6	72.4	22.9
	National	24.6	75.4	25.6
	Difference (School v national)		+16.3	+7.7
Writing	School	18.3	81.7	24.2
	LA	33	67	13
	National	30.1	69.9	15.9
	Difference (School v national)		+11.8	+8.3
Mathematics	School	11.7	88.3	30
	LA	26.7	73.3	19
	National	23.9	76.1	21.8
	Difference (School v national)		+12.2	+8.2

#### Awards

The school has received the following awards:

- RE Quality Mark in July 2017 (re-accreditation)
- Investors in pupils award in September 2016 (re-accreditation)
- Fairtrade fairware award in July 2017

#### Buildings and Premises

In August 2019, the following works have been completed:

- Electrics updated
- New energy efficient lighting
- New ceilings where lights have been refitted
- Storage sheds in reception playground for outdoor play equipment
- Classroom refurbishment to house an out of school club

## **Lindley Church of England Infant School**

### **Trustees' Report**

#### **Key Performance Indicators**

##### **OFSTED & SIAMS**

The school is judged by both OFSTED and SIAMS to be outstanding

The most recent OFSTED inspection was in December 2007

The most recent SIAMS inspection was October 2017

##### **Staffing Ratio**

The cost of staffing salaries as a proportion of the total expenditure (excluding capital works) of the Academy is 74.8% (2018: 77.47%, 2017: 72.3%)

##### **Utility Costs**

Utility costs per pupil (360 Rec – Year 2) is £54.51 (2018: £45.82, 2017: £48.52)

##### **Attendance**

In 2018-19 whole school attendance was 97.23% (2017-18: 96.7%)

##### **Going Concern**

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

##### **Financial Review**

These financial statements reflect a 12-month accounting period of operation. The majority of income received is obtained from the Department for Education (DfE), via the Education and Skills Funding Agency (EFSA) in the form of recurrent General Annual Grant (GAG) funding, the use of which is restricted for the day to day running of the academy. Total grants received from the EFSA and the associated expenditure are shown as restricted funds in the statement of financial activities.

The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the period the Academy received £1,858,053 of income, of which £1,278,770 was GAG funding. Other grants and income amounted to £524,767.

Expenditure for the period totalled £1,665,757 (excluding depreciation), including £1,273,140 of staff related costs supporting the day to day running of the Academy Trust.

The excess total income over total expenditure during the period was £14,208 however some of this has rolled into 2019-20 for works to be completed. (excluding restricted fixed asset funds and pension deficit).

The LGPS liability increased to £835,000 as at the 31st August 2019. This is detailed in the notes to the financial statements.

As at the 31st August 2019 the net book value of fixed assets is £2,818,988. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy Trust.

##### **Reserves Policy**

The trustees review the reserve levels of the academy annually. The trustees take into consideration the future plans of the academy, future income streams and commitments, and other key risks identified during the risk review.

The trustees anticipate utilising reserves to maintain educational standards, provide a contingency to deal with unexpected emergencies such as urgent maintenance and to support future strategic initiatives within the Academy.

##### **Investment Policy**

There are no material investments held by the academy, funds are held in a current account. The academy aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations. During the year, consideration will be given to investing free reserves to optimise returns but ensuring the investment instruments are such that there is no risk to the loss of these cash funds.

## Lindley Church of England Infant School

### Trustees' Report

#### Principal risks and uncertainties

The trustees have assessed the major risks to which the academy is exposed, in particular those relating to specific teaching, provision of facilities and other operational areas, and its finances.

The academy has agreed a risk management policy, and a risk register is in place. These have been discussed by trustees and include the financial risks to the school. The register is reviewed in light of any new information and formally reviewed annually. The trustees 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 to cover. The academy has an effective system of internal financial controls.

#### Fundraising

At Lindley Infant School any charity fundraising is done so in a way which protects the school's reputation and in line with our Christian Ethos, the church's reputation and so encourage public trust and confidence. For any fundraising activities, the trustees will ensure they are acting in the best interests of the school, managing the school's resources responsibly, which includes protecting and safeguarding its reputation and acting with reasonable care and skill. Any fundraising activity will always:

- Be planned effectively
- Protect the school's reputation, money and other assets
- Be open, transparent and accountable.

#### Plans for Future Periods

The school will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The school will continue to aim to attract high quality teachers and support staff in order to deliver its objectives. The school will continue to develop economies of scale and secure wider educational benefits and opportunities from potential partnerships. The school will continue to work with partner schools to improve the educational opportunities for pupils in the wider community. The school plans to maintain class sizes with a teaching assistant in each class which will reflect in academic outcomes being improved.

The identified School Development Priorities for 2019-2020 are:

School Development Priorities 2019-2020	
Quality of Education	<b>Curriculum Intent and Design</b> To design a curriculum that reflects the culture, climate and values of our school
Behaviour and Attitudes	<b>Behaviour Management</b> To review behaviour management strategies across school in order to implement a positive climate for learning
Personal Development	<b>Mental Health</b> To improve the self-confidence, resilience and emotional wellbeing of pupils and staff in our school
L&M	<b>Staff Wellbeing</b> To maintain a school ethos which supports staff health and emotional wellbeing

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

There are no funds held on behalf of others.

#### Statement as to Disclosure of Information to Auditors

So far as the trustees are aware, there is no relevant audit 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.

Approved by order of the board of trustees on 5/12/19 and signed on its behalf by:



A Hamilton  
Chair of Trustees

## Lindley Church of England Infant School

### Governance Statement

#### Scope of Responsibility

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

The board of trustees has delegated the day-to-day responsibility to Mrs Nicola Beaumont, 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 Lindley Church of England Infant School and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

#### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The GB has formally met 6 times during the period. Attendance during the period at meetings of the GB was as follows:

#### Attendance at Governing Body Meetings

<i><b>Name of Governor</b></i>	<i><b>Meetings attended</b></i>	<i><b>Out of a possible</b></i>
Ian Gibbs	3	4
Jan Balmforth	6	6
Becky Black	5	6
Kate Chamberlain	6	6
Rev Rachel	3	6
Antonia Firth	6	6
Yolande Shire	1	1
Sarah Smith	6	6
Charles Wilson	6	6
Andrew Hamilton	6	6
Rachel Jowett	4	6
Nicola Beaumont	6	6
Lisa Burke	4	6
Stephanie Potts	4	6

#### Attendance at Resources Committee

The Resources committee is a sub-committee of the main GB. Its purpose is to provide support and challenge to the leadership of the school and to hold them to account in relation to the use of resources to support the priorities of the school including: the leadership of teaching and learning; the school budget; the employment and development of staff; the premises and health and safety.

<i><b>Name of Governor</b></i>	<i><b>Meetings attended</b></i>	<i><b>Out of a possible</b></i>
Nicola Beaumont	6	6
Andy Hamilton	5	6
Ian Gibbs	3	3
Antonia Firth	5	6
Charles Wilson	6	6
Rachel Jowett	5	6
Sarah Smith	4	6

#### Attendance at Standards and Effectiveness Committee

The Standards and Effectiveness committee is a sub-committee of the main GB. Its purpose is to provide support and challenge to the leadership of the school and to hold them to account in relation to the quality of educational provision including: the quality of teaching and learning; pupils progress and outcomes for pupils; the quality of the curriculum provision and delivery; behaviour and safety of pupils.

<i><b>Name of Governor</b></i>	<i><b>Meetings attended</b></i>	<i><b>Out of a possible</b></i>
Jan Balmforth	5	6
Nicola Beaumont	6	6
Kate Chamberlain	6	6
Rev Rachel Firth	3	6
Antonia Firth	5	6
Yolande Shire	1	1
Becky Black	6	6
Lisa Burke	2	6

## Lindley Church of England Infant School

### Governance Statement

#### Attendance at Christian Values and Worship Committee

The Christian Values and Worship committee is a sub-committee of the main GB. Its purpose is to support, advise and challenge the headteacher and the GB on matters relating to the distinctiveness and effectiveness of Lindley CE Infant School as a church school and the impact which this has on the pupils and whole school community.

<b>Name of Governor</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Nicola Beaumont	6	6
Kate Chamberlain	6	6
Rev Rachel Firth	2	6
Antonia Firth	6	6
Becky Black	6	6
Claire Coupland	4	6
Sarah Smith	5	6
Lisa Burke	2	6

#### Governance Review

A governor skills assessment was carried out in May 2017. The skills assessment was developed using a combination of NGA and other schools' skills assessments. The skills list was agreed by the GB to represent the key areas of expertise required to be a successful governing body.

Self-assessment was completed and then peer reviewed with one or more fellow governor where calibration of self-assessments took place prior to 'rolling-up' into the overall view of skills and capability.

It is suggested that the following overall development plan is adopted:

Who?	What?	Specifics
All Governors	Governor Role training	All governors should become familiar (through training) with the role and responsibility of a governor
Staff governors	Business operational knowledge	Finance/budget and facilities management.
Foundation/parent	Education knowledge	Finance/budget, Funding, Educational Policies/data, Curriculum, OFSTED framework, Special Educational Needs

A Governor Effectiveness Audit was carried out in May 2018 to evaluate the effectiveness of the GB and an action plan drawn up with actions identified for specific committees.

#### 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 delivered improved value for money during the year by:

Due to cost implications it has been decided by Governors that many of the awards school previously earned will not be renewed simply to earn a 'badge of honour'. If good practice is well embedded in school this can be evidenced through school self-evaluation. Awards not renewed this year were The Challenge Award and Investors in Pupils. Any future awards purchased will link directly to School Development Priorities.

Our parents' association (FOLIS) have purchased a bank of iPads for each classroom to enhance curriculum provision by focusing on ICT methods of recording in different subjects. Whilst contributing to improvements in the quality of education at the school, this has not impacted on the school budget.

The SLA for cleaning has been reviewed at a reduced cost. The SLA now covers term time plus 4 weeks.

Purchase of RPA contract. Due to the expiry of the previous 3 year insurance contract, this year the Governors have entered into the RPA arrangement for insurance at a reduced cost.

The HR SLA was not renewed with Kirklees Council as this was always at a fixed cost and an analysis of how the service was used and the quality of service offered showed this was not good value for money. The school now engages the services of an independent consultant on a pay as you go basis. Analysis of spend shows this is cheaper than the fixed term SLA.

## Lindley Church of England Infant School

### Governance Statement

#### The Purpose and 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 Lindley Church of England Infant School for the period from 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

#### Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

#### 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 board of trustees;
- regular reviews by 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 need for a specific internal audit function and has decided to appoint Gibson Booth as internal auditor for the period from 1 September 2018 to 31 August 2019.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems.

Through a system of internal control with the internal auditors, reports have been made through the Resources committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. In particular, the checks carried out in the current period included:

- Testing of payroll system
- Testing of purchase system
- Testing of the bank accounts and bank reconciliations

#### Review of Effectiveness

The accounting officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

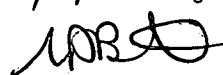
- the work of the internal auditor;
- the work of the external auditor;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 5/12/19 and signed on its behalf by:



A Hamilton  
Chair of Trustees



N D Beaumont  
Accounting Officer

## **Lindley Church of England Infant School**

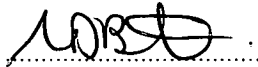
### **Statement of Regularity, Propriety and Compliance**

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

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

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

N D Beaumont  
Accounting Officer

A handwritten signature in black ink, appearing to read 'N D Beaumont', is written over a dotted line.

## Lindley Church of England Infant School

### Statement of Trustees' Responsibilities

The trustees (who act as governors of Lindley Church of England Infant School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction published 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

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

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

Approved by order of the members of the board of trustees on ...5/12/19... and signed on its behalf by:

A Hamilton  
Chair of trustees





## Lindley Church of England Infant School

### Independent Reporting Accountant's Assurance Report on Regularity to Lindley Church of England Infant School and the Education Funding Agency

#### Opinion

We have audited the financial statements of Lindley Church of England Infant School ('the academy trust') for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, 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' and the Academies Accounts Direction 2018 to 2019 issued by the Education Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust'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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education Funding Agency.

#### Basis for opinion

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

#### Conclusions relating to going concern

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

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

#### Other information

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

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

We have nothing to report in this regard.

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

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

## **Lindley Church of England Infant School**

### **Independent Reporting Accountant's Assurance Report on Regularity to Lindley Church of England Infant School and the Education Funding Agency**

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

In light of our knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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

#### **Respective responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 15, the trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that included 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. Misstatement 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: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

This report is made solely to the academy trust'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 academy trust'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 academy trust and its members as a body, for our audit work, for this report, or for the opinions we have formed.

*ARS Russell*

Alistair Russell FCA  
For and on behalf of  
Gibson Booth Chartered Accountants  
and Statutory Auditors  
New Court  
Abbey Road North  
Shepley  
Huddersfield  
HD8 8BJ

6/12/19

## **Lindley Church of England Infant School**

### **Independent Reporting Accountant's Assurance Report on Regularity to Lindley Church of England Infant School and the Education Funding Agency**

In accordance with the terms of our engagement letter dated 9 May 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Lindley Church of England Infant School during the period from 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Lindley Church of England Infant School and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Lindley Church of England Infant School and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Lindley Church of England Infant School and ESFA, for our work, for this report, or for the conclusion we have formed.

#### **Respective responsibilities of Lindley Church of England Infant School's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Lindley Church of England Infant School's funding agreement with the Secretary of State for Education dated 1 July 2014 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 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period from 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

#### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusions includes:

- an initial risk assessment, the results of which were used to tailor a specific work programme to ensure sufficient appropriate evidence could be obtained to support the conclusion;
- a review of the academy trust's accounting and internal control procedures; and
- consideration and review of the evidence supporting the accounting officer's statement on regularity, propriety and compliance.

#### **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 from 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Gibson Booth Chartered Accountants  
New Court  
Abbey Road North  
Shepley  
Huddersfield  
HD8 8BJ

6/12/19

# Lindley Church Of England Infant School

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

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2019	Total 2018
	Note	£	£	£	£	£
<b>Income and endowments from:</b>						
Donations and capital grants	2	-	-	236,088	236,088	8,050
<b>Charitable activities:</b>						
Funding for the academy trust's						
educational operations	3	3,365	1,567,449	-	1,570,814	1,543,482
Other trading activities	4	41,384	9,546	-	50,930	20,164
Investments	5	221	-	-	221	386
<b>Total</b>		<u>44,970</u>	<u>1,576,995</u>	<u>236,088</u>	<u>1,858,053</u>	<u>1,572,082</u>
<b>Expenditure on:</b>						
Raising funds	6	15,621	-	-	15,621	-
<b>Charitable activities:</b>						
Academy trust educational operations	7	3,689	1,646,447	89,515	1,739,651	1,692,165
<b>Total</b>		<u>19,310</u>	<u>1,646,447</u>	<u>89,515</u>	<u>1,755,272</u>	<u>1,692,165</u>
<b>Net income / (expenditure)</b>		25,660	(69,452)	146,573	102,781	(120,083)
<b>Transfers between funds</b>	15	324	(324)	-	-	-
<b>Other recognised gains:</b>						
Actuarial (losses) / gains on defined						
benefit pension schemes	15,20	-	(425,000)	-	(425,000)	139,000
<b>Net movement in funds</b>		<u>25,984</u>	<u>(494,776)</u>	<u>146,573</u>	<u>(322,219)</u>	<u>18,917</u>
<b>Reconciliation of funds</b>						
Total funds brought forward		<u>197,767</u>	<u>(308,251)</u>	<u>2,748,107</u>	<u>2,637,623</u>	<u>2,618,706</u>
<b>Total funds carried forward</b>		<u><u>223,751</u></u>	<u><u>(803,027)</u></u>	<u><u>2,894,680</u></u>	<u><u>2,315,404</u></u>	<u><u>2,637,623</u></u>

**Lindley Church Of England Infant School**

**Balance Sheet as at 31 August 2019**

		2019	2018
	Note	£	£
<b>Fixed assets</b>			
Tangible assets	11	2,818,988	2,748,108
		<u>2,818,988</u>	<u>2,748,108</u>
<b>Current assets</b>			
Stock	12	1,272	1,188
Debtors	13	195,397	30,618
Cash at bank and in hand		463,755	448,770
		<u>660,424</u>	<u>480,576</u>
Creditors: Amounts falling due within one year	14	(329,008)	(239,061)
<b>Net current assets</b>		<u>331,416</u>	<u>241,515</u>
<b>Total assets less current liabilities</b>		3,150,404	2,989,623
<b>Net assets excluding pension liability</b>		<u>3,150,404</u>	<u>2,989,623</u>
Defined benefit pension scheme liability	20	(835,000)	(352,000)
<b>Total assets</b>		<u>2,315,404</u>	<u>2,637,623</u>
<b>Funds of the academy trust:</b>			
<b>Restricted funds</b>			
Fixed asset fund	15	2,894,680	2,748,107
Restricted income fund	15	31,973	43,749
Pension reserve	15	(835,000)	(352,000)
<b>Total restricted funds</b>		<u>2,091,653</u>	<u>2,439,856</u>
<b>Unrestricted income funds</b>	15	<u>223,751</u>	<u>197,767</u>
<b>Total funds</b>		<u>2,315,404</u>	<u>2,637,623</u>

The financial statements on pages 21 to 37 were approved by the trustees, and authorised for issue on 5/12/19 and are signed on their behalf by:



A Hamilton  
Chair of trustees

**Lindley Church Of England Infant School**

**Statement of Cash Flows for the year ended 31 August 2019**

		2019	2018
	Note	£	£
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	18	(60,929)	71,972
<b>Cash flows from investing activities</b>			
Interest receivable		221	346
Purchase of tangible fixed assets		(160,395)	(107,575)
Capital grants from DfE/EFSA		236,088	8,050
		<u>75,914</u>	<u>(99,179)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>14,985</u>	<u>(27,207)</u>
<b>Cash and cash equivalents at 1 September 2018</b>		448,770	475,977
<b>Cash and cash equivalents at the 31 August 2019</b>		<u>463,755</u>	<u>448,770</u>

## **Lindley Church Of England Infant School**

### **Notes to the Financial Statements for the period ended 31 August 2019**

#### **1 Statement of Accounting Policies**

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

##### **Basis of Preparation**

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102), 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 (FRS102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Lindley Church of England Infant School meets the definition of a public benefit entity under FRS 102.

These financial statements are the first financial statements of Lindley Church Of England Infant School are prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Lindley Church Of England Infant School for the year ended 31 August 2019 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

##### **Going Concern**

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

##### **Income**

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

##### **Grants**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the 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.

##### **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**

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.

## **Lindley Church Of England Infant School**

### **Notes to the Financial Statements for the period ended 31 August 2019**

#### **1 Statement of Accounting Policies (continued)**

##### **Expenditure**

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

##### **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.

##### **Tangible Fixed Assets**

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Land occupied under licence	Nil
Buildings occupied under licence	2% straight line
Fixtures, fittings and equipment	10% straight line
ICT hardware	33% straight line

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.

##### **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.

##### **Leased Assets**

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



## **Lindley Church Of England Infant School**

### **Notes to the Financial Statements for the period ended 31 August 2019**

#### **1 Statement of Accounting Policies (continued)**

##### **Stock**

Unsold book bags and water bottles are valued at the lower of cost or net realisable value.

##### **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 part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

##### **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 23, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

##### **Fund Accounting**

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education Funding Agency/Department for Education.

## **Lindley Church Of England Infant School**

### **Notes to the Financial Statements for the period ended 31 August 2019**

#### **1 Statement of Accounting Policies (continued)**

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

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

##### *Critical accounting estimates and assumptions*

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pensions liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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 economic utilisation and the physical condition of the assets. See note 12 for the carrying amount of the tangible assets, and accounting policies for the depreciation rates used for each class of assets.

##### *Critical areas of judgement*

No significant judgements have been made in the process of applying the entity's policies.

# Lindley Church Of England Infant School

## Notes to the Financial Statements for the year ended 31 August 2019 (continued)

### 2 Donations and capital grants

	Unrestricted Funds £000	Restricted Funds £000	Total 2019 £000
DfE/ESFA capital grants	-	236,088	236,088
	-	236,088	236,088
	Unrestricted Funds £000	Restricted Funds £000	Total 2018 £000
DfE/ESFA capital grants	-	8,050	8,050
	-	8,050	8,050

### 3 Funding for the Academy Trust's Educational Operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2019 £000
<b>DfE / ESFA grants</b>			
General Annual Grant (GAG)	-	1,278,770	1,278,770
Pupil premium	-	40,952	40,952
Other DfE/ESFA grants	-	179,977	179,977
	-	1,499,699	1,499,699
<b>Other Government grants</b>			
SEN funding	-	67,750	67,750
	-	67,750	67,750
Other income from the academy trust's educational operations	3,365	-	3,365
	3,365	1,567,449	1,570,814
	Unrestricted Funds £000	Restricted Funds £000	Total 2018 £000
<b>DfE / ESFA grants</b>			
General Annual Grant (GAG)	-	1,290,435	1,290,435
Other DfE/ESFA grants	-	186,110	186,110
	-	1,476,545	1,476,545
<b>Other Government grants</b>			
Other local authority grants	-	33,675	33,675
	-	33,675	33,675
Other income from the academy trust's educational operations	33,262	-	33,262
	33,262	1,510,220	1,543,482

**Lindley Church Of England Infant School**

**Notes to the Financial Statements for the year ended 31 August 2019 (continued)**

**4 Other trading activities**

	Unrestricted Funds	Restricted Funds	2019
	£	£	£
Catering	-	9,546	9,546
Hire of facilities	2,126	-	2,126
Insurance income	5,376	-	5,376
Staff services	9,732	-	9,732
Other income	24,150	-	24,150
	<u>41,384</u>	<u>9,546</u>	<u>50,930</u>

	Unrestricted Funds	Restricted Funds	2018
	£	£	£
Hire of facilities	1,901	-	1,901
Insurance income	6,810	-	6,810
Staff services	4,887	-	4,887
Other income	6,566	-	6,566
	<u>20,164</u>	<u>-</u>	<u>20,164</u>

**5 Investment income**

	Unrestricted Funds	Total 2019	Unrestricted Funds	Total 2018
	£	£	£	£
Bank interest receivable	221	221	386	386
	<u>221</u>	<u>221</u>	<u>386</u>	<u>386</u>

# Lindley Church Of England Infant School

## Notes to the Financial Statements for the year ended 31 August 2019 (continued)

### 6 Expenditure

	Staff Costs	Non Pay Expenditure		Total
		Premises	Other	2019
	£	£	£	£
Expenditure on raising funds	-	-	15,621	15,621
Academy's educational operations:				
Direct costs	1,045,669	89,515	92,263	1,227,447
Allocated support costs	227,471	71,869	212,864	512,204
	<u>1,273,140</u>	<u>161,384</u>	<u>320,748</u>	<u>1,755,272</u>

	Staff Costs	Non Pay Expenditure		Total
		Premises	Other	2018
	£	£	£	£
Expenditure on raising funds	-	-	-	-
Academy's educational operations:				
Direct costs	722,291	-	148,252	870,543
Allocated support costs	470,542	32,202	318,878	821,622
	<u>1,192,833</u>	<u>32,202</u>	<u>467,130</u>	<u>1,692,165</u>

Net income/(expenditure) for the period includes:

	2019	2018
	£	£
Operating lease rentals	2,526	1,827
Depreciation	89,515	91,110
Fees payable to auditor for:		
- audit	3,750	7,075
- other services	<u>400</u>	<u>1,254</u>

### 7 Charitable Activities

	Unrestricted	Restricted	Total
	Funds	Funds	2019
	£	£	£
Direct costs – educational operations	3,689	1,223,758	1,227,447
Support costs – educational operations	-	512,204	512,204
	<u>3,689</u>	<u>1,735,962</u>	<u>1,739,651</u>

	Unrestricted	Restricted	Total
	Funds	Funds	2018
	£	£	£
Direct costs – educational operations	12,396	858,147	870,543
Support costs – educational operations	-	821,622	821,622
	<u>12,396</u>	<u>1,679,769</u>	<u>1,692,165</u>

**Lindley Church Of England Infant School**

**Notes to the Financial Statements for the year ended 31 August 2019 (continued)**

**7 Charitable Activities (continued)**

	2019	2018
	£	£
<b>Analysis of support costs</b>		
Support staff costs	227,471	470,542
Premises costs	71,869	32,200
Other support costs	192,155	233,567
Governance costs	20,709	85,313
	<u>512,204</u>	<u>821,622</u>

**8 Staff**

**a. Staff costs**

Staff costs during the period were:

	2019	2018
	£	£
Wages and salaries	967,486	920,966
Social security costs	75,934	73,404
Operating costs of defined benefit pension schemes	209,797	154,891
	<u>1,253,217</u>	<u>1,149,261</u>
Supply staff costs	19,923	23,572
Staff restructuring costs	-	20,000
	<u>1,273,140</u>	<u>1,192,833</u>

**b. Non statutory/non contractual staff severance payments**

There were no staff restructuring costs throughout the year (2018: £20,000).

# Lindley Church Of England Infant School

## Notes to the Financial Statements for the year ended 31 August 2019 (continued)

### 8 Staff (continued)

#### c. Staff numbers

The average number of persons employed by the academy during the period was as follows:

	2019	2018
	No.	No.
Teachers	11	14
Administration and support	31	31
Management	7	3
	<u>49</u>	<u>48</u>

#### d Higher paid staff

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

	2019	2018
	No.	No.
£60,001 - £70,000	1	-
£70,001 - £80,000	-	1
	<u>-</u>	<u>1</u>

#### e Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team at each academy 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 £233,453 (2018: £312,783).

### 9 Related Party Transactions - Trustees' Remuneration and Expenses

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

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

N D Beaumont (head teacher and trustee):

- . Remuneration £60,000 - £70,000 (2017: £70,000 - £80,000)
- . Employer's pension contributions paid £10,000 - £15,000 (2018: £10,000 - £15,000)

A Firth (staff trustee):

- . Remuneration £40,000 - £50,000 (2018: £40,000 - £50,000)
- . Employer's pension contributions paid £5,000 - £10,000 (2018: £5,000 - £10,000)

J Balmforth (staff trustee):

- . Remuneration £20,000 - £30,000 (2018: £20,000 - £30,000)
- . Employer's pension contributions paid £0 - £5,000 (2018: £0 - £5,000)

M Tomlinson (staff trustee):

- . Remuneration £20,000 - £30,000 (2018: £nil)
- . Employer's pension contributions paid £0 - £5,000 (2018: £nil)

During the year ended 31 August 2019 travel and subsistence expenses totalling £85 (2018: £36) were reimbursed to two (2018: four) trustees.

Other related party transactions involving the trustees are set out in note 21.

# Lindley Church Of England Infant School

## Notes to the Financial Statements for the year ended 31 August 2019 (continued)

### 10 Trustees' and Officers' Insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim. The cost of this insurance is included in the total insurance cost but is not separately identifiable.

### 11 Tangible Fixed Assets

	Leasehold Land and Buildings	Furniture and Equipment	Computer Hardware	Total
	£	£	£	£
<b>Cost</b>				
At 1 September 2018	2,778,926	186,491	73,607	3,039,024
Additions	160,395	-	-	160,395
At 31 August 2019	<u>2,939,321</u>	<u>186,491</u>	<u>73,607</u>	<u>3,199,419</u>
<b>Depreciation</b>				
At 1 September 2018	195,914	44,996	50,006	290,916
Charged in year	53,605	18,762	17,148	89,515
At 31 August 2019	<u>249,519</u>	<u>63,758</u>	<u>67,154</u>	<u>380,431</u>
<b>Net book values</b>				
At 31 August 2019	<u>2,689,802</u>	<u>122,733</u>	<u>6,453</u>	<u>2,818,988</u>
At 31 August 2018	<u>2,583,012</u>	<u>141,495</u>	<u>23,601</u>	<u>2,748,108</u>

### 12 Stock

	2019 £	2018 £
Water bottles and book bags	1,272	1,188
	<u>1,272</u>	<u>1,188</u>

### 13 Debtors

	2019 £	2018 £
Trade debtors	1,068	654
VAT recoverable	53,312	6,299
Prepayments and accrued income	141,017	23,665
	<u>195,397</u>	<u>30,618</u>

### 14 Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	47,647	-
Other taxation and social security	18,492	18,327
EFA creditor: abatement of GAG		
Other creditors	26,704	19,079
Accruals and deferred income	236,165	201,655
	<u>329,008</u>	<u>239,061</u>

#### Deferred income

	2019 £	2018 £
Deferred income at 1 September 2018	93,787	87,651
Released from previous years	(93,787)	(87,651)
Resources deferred in the year	83,716	93,787
Deferred Income at 31 August 2019	<u>83,716</u>	<u>93,787</u>

Deferred income at the year end included:

- Universal Free School Meals funding received in advance £81,191 (2018: £81,446)
- Other income received in advance £2,525 (2017: £12,341)



# Lindley Church Of England Infant School

## Notes to the Financial Statements for the year ended 31 August 2019 (continued)

### 15 Funds

	Balance at 1 September 2018 £000 £	Income £000 £	Expenditure £000 £	Gains, losses and transfers £000 £	Balance at 31 August 2019 £000 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	43,749	1,278,770	(1,290,222)	(324)	31,973
Pupil Premium	-	40,952	(40,952)	-	-
Other DfE/EFA grants	-	179,977	(179,977)	-	-
SEN funding	-	67,750	(67,750)	-	-
Catering	-	9,546	(9,546)	-	-
Pension reserve	(352,000)	-	(58,000)	(425,000)	(835,000)
	<u>(308,251)</u>	<u>1,576,995</u>	<u>(1,646,447)</u>	<u>(425,324)</u>	<u>(803,027)</u>
<b>Restricted fixed asset funds</b>					
DfE/EFA capital grants	582,204	236,088	113,971	-	932,263
Assets inherited on conversion	1,989,084	-	(238,209)	-	1,750,875
Expenditure from other funds	176,819	-	34,723	-	211,542
	<u>2,748,107</u>	<u>236,088</u>	<u>(89,515)</u>	<u>-</u>	<u>2,894,680</u>
<b>Total restricted funds</b>	<u>2,439,856</u>	<u>1,813,083</u>	<u>(1,735,962)</u>	<u>(425,324)</u>	<u>2,091,653</u>
<b>Total unrestricted funds</b>	<u>197,767</u>	<u>44,970</u>	<u>(19,310)</u>	<u>324</u>	<u>223,751</u>
<b>Total funds</b>	<u>2,637,623</u>	<u>1,858,053</u>	<u>(1,755,272)</u>	<u>(425,000)</u>	<u>2,315,404</u>

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

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

The other restricted general funds relate to grants and other income receivable from the DfE, EFA and other sources towards the operating activities of the academy trust.

The restricted fixed asset funds represent the net book values of donated fixed assets and assets purchased out of income from other sources which are held for the continuing use of the academy trust.

A deficit of £324 made on trips is funded out of the GAG, to ensure that no students miss out on opportunities gained from attending trips.

# Lindley Church Of England Infant School

## Notes to the Financial Statements for the year ended 31 August 2019 (continued)

### 15 Funds (continued)

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	155,753	1,290,435	(1,302,874)	(99,565)	43,749
Pupil Premium	-	40,963	(40,963)	-	-
Other local authority grants	-	178,822	(178,822)	-	-
Pension reserve	(425,000)	-	(66,000)	139,000	(352,000)
	<u>(269,247)</u>	<u>1,510,220</u>	<u>(1,588,659)</u>	<u>39,435</u>	<u>(308,251)</u>
<b>Restricted fixed asset funds</b>					
DfE/EFA capital grants	592,846	8,050	(10,642)	(8,050)	582,204
Assets inherited on conversion	2,031,544	-	(42,460)	-	1,989,084
Expenditure from other funds	107,212	-	(38,008)	107,615	176,819
	<u>2,731,602</u>	<u>8,050</u>	<u>(91,110)</u>	<u>99,565</u>	<u>2,748,107</u>
<b>Total restricted funds</b>	<u>2,462,355</u>	<u>1,518,270</u>	<u>(1,679,769)</u>	<u>139,000</u>	<u>2,439,856</u>
<b>Total unrestricted funds</b>	<u>156,351</u>	<u>53,812</u>	<u>(12,396)</u>	<u>-</u>	<u>197,767</u>
<b>Total funds</b>	<u>2,618,706</u>	<u>1,572,082</u>	<u>(1,692,165)</u>	<u>139,000</u>	<u>2,637,623</u>

### 16 Analysis of Net Assets between Funds

Fund balances at 31 August 2019 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Fixed assets	-	-	2,818,988	2,818,988
Current assets	223,751	360,981	75,692	660,424
Current liabilities	-	(329,008)	-	(329,008)
Pension scheme liability	-	(835,000)	-	(835,000)
Total net assets	<u>223,751</u>	<u>(803,027)</u>	<u>2,894,680</u>	<u>2,315,404</u>

Fund balances at 31 August 2018 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Intangible fixed assets				
Fixed assets	-	-	2,748,108	2,748,108
Current assets	197,767	282,809	-	480,576
Current liabilities	-	(239,061)	-	(239,061)
Pension scheme liability	-	(352,000)	-	(352,000)
Total net assets	<u>197,767</u>	<u>(308,252)</u>	<u>2,748,108</u>	<u>2,637,623</u>

### 17 Commitments under operating leases

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

	2019 £	2018 £
Amounts due within one year	2,526	2,526
Amounts due between one and five years	1,883	4,409
	<u>4,409</u>	<u>6,935</u>

# **Lindley Church Of England Infant School**

## **Notes to the Financial Statements for the year ended 31 August 2019 (continued)**

### **18 Reconciliation of Net Expenditure to Net Cash Flow from Operating Activities**

	2019	2018
	£	£
Net expenditure for the reporting period	102,781	(120,083)
Adjusted for:		
Depreciation charges (note 11)	89,515	91,110
Capital grants from DfE and other capital income (note 2)	(236,088)	(8,050)
Interest receivable (note 5)	(221)	(386)
Defined benefit pension scheme cost less contributions payable (note 23)	49,000	56,000
Defined benefit pension scheme finance cost (note 23)	9,000	10,000
(Increase) / decrease in stocks	(84)	494
(Increase) / decrease in debtors	(164,779)	56,420
Increase / (decrease) in creditors	89,947	(13,533)
Net cash provided by Operating Activities	<u>(60,929)</u>	<u>71,972</u>

### **19 Members' Liability**

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

## **Lindley Church Of England Infant School**

### **Notes to the Financial Statements for the period ended 31 August 2018 (continued)**

#### **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 West Yorkshire Pension Fund. Both are multi-employer defined benefit pension 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 £19,089 (2018: £18,959) were payable to the schemes at 31 August 2019 and are included within other creditors.

#### **Teachers' Pension Scheme**

##### **Introduction**

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

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

##### **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% from September 2015. The next valuation is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to TPS in the period amounted to £97,797 (2017: £95,168).

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

# Lindley Church Of England Infant School

## Notes to the Financial Statements for the year ended 31 August 2018 (continued)

### 20 Pension and Similar Obligations (continued)

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds.

The total contribution made for the year ended 31 August 2019 was £84,000 (2018: £80,000), of which employer's contributions totalled £63,000 (2018: £60,000) and employees' contributions totalled £21,000 (2018: 20,000). The agreed contribution rates for future years are 18.0% for employers and between 5.50% and 12.50% for employees depending on earnings.

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

Principal Actuarial Assumptions	At 31 August 2019	At 31 August 2018
Rate of increase in salaries	3.35%	3.25%
Rate of increase for pensions in payment/inflation	3.10%	2.00%
Discount rate for scheme liabilities	1.90%	2.50%
Inflation assumption (CPI)	3.10%	2.00%

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

	At 31 August 2019	At 31 August 2018
<i>Retiring today</i>		
Males	22.2	22.1
Females	25.4	25.3
<i>Retiring in 20 years</i>		
Males	25.4	23.1
Females	27.2	27.1

Sensitivity analysis on defined benefit obligations	At 31 August 2019 £	At 31 August 2018 £
Discount rate +0.1%	(50,000)	(38,000)
Discount rate -0.1%	52,000	38,000
Mortality assumption - 1 year increase	(72,000)	47,000
Mortality assumption - 1 year decrease	73,000	(47,000)
CPI rate +0.1%	19,000	(24,000)
CPI rate -0.1%	(19,000)	24,000

# Lindley Church Of England Infant School

## Notes to the Financial Statements for the year ended 31 August 2019 (continued)

### 20 Pension and Similar Obligations (continued)

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

	Fair value at 31 August 2019	Fair value at 31 August 2018
	£	£
Equity instruments	1,048,000	954,000
Bonds	203,000	183,000
Property	59,000	54,000
Other	41,000	88,000
Total market value of assets	1,351,000	1,279,000
Present value of scheme liabilities		
- funded	(2,186,000)	(1,631,000)
Deficit in scheme	<u>(835,000)</u>	<u>(352,000)</u>

The actual return on scheme assets was £1,064,000 (2017: £1,009,000).

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

	2019	2018
	£	£
Current service cost	112,000	116,000
Net interest cost	9,000	10,000
Total operating charge	<u>121,000</u>	<u>126,000</u>

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

	2019	2018
	£	£
At 1 September	1,631,000	1,524,000
Current service cost	112,000	116,000
Interest cost	46,000	39,000
Employee contributions	21,000	20,000
Actuarial loss / (gain)	398,000	(108,000)
Benefits paid	(22,000)	40,000
At 31 August	<u>2,186,000</u>	<u>1,631,000</u>

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

	2019	2018
	£	£
At 1 September	1,279,000	1,099,000
Return on plan assets (excluding net interest on the net defined pension liability)	37,000	29,000
Actuarial (loss) / gain	(27,000)	31,000
Employer contributions	63,000	60,000
Employee contributions	21,000	20,000
Benefits paid	(22,000)	40,000
At 31 August	<u>1,351,000</u>	<u>1,279,000</u>

## **Lindley Church Of England Infant School**

### **Notes to the Financial Statements for the year ended 31 August 2019 (continued)**

#### **21 Related Party Transactions**

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the academy trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

##### **Spouse of C R Wilson (a trustee)**

The spouse of C R Wilson received remuneration of between £30,000 - £40,000 (2018: £30,000 - £40,000) and the trust paid employer's pension contributions of between £5,000 - £10,000 (2018: £5,000 - £10,000).

In entering into the transactions the trust has complied with the requirements of ESFA's Academies Financial Handbook 2017.

##### **Spouse of I H F Gibbs (a trustee)**

The spouse of I H F Gibbs received remuneration of between £10,000 - £20,000 (2018: £20,000 - £30,000) and the trust paid employer's pension contributions of between £0 - £5,000 (2018: £0 - £5,000).

In entering into the transaction the trust has complied with the requirements of ESFA's Academies Financial Handbook.