

Company Registration Number: 08358124 (England & Wales)

INFINITY ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

INFINITY ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

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INFINITY ACADEMIES TRUST LTD
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	S Westaway M Standbrook (resigned 1 April 2019) B Brickles S Morely (appointed 1 April 2019) Rev. S Holt (appointed 1 April 2019) P Thompson (appointed 1 April 2019)
Trustees	M Standbrook (resigned 1 April 2019) P Corke (resigned 1 April 2019) J Vickers (resigned 31 August 2019) S Westaway, Chair of Trustees D Bruce A Clarke (resigned 31 March 2019) T Cockram (resigned 31 March 2019) D Waldron (appointed 1 January 2019, resigned 31 August 2019) S Morley (appointed 4 February 2019, resigned 31 March 2019) J Mills (appointed 11 September 2019) S P Griffiths (appointed 1 April 2019) R E Chipperfield (appointed 1 April 2019) S J Brackenbury (appointed 1 April 2019)
Company registered number	08358124
Company name	Infinity Academies Trust
Principal and registered office	Gipsey Bridge Academy Leagate Road Gipsey Bridge Boston Lincolnshire PE22 7BP
Chief executive officer	Gavin Booth
Senior management team	G Booth, Chief Executive Officer (from 01/04/2019) T Cockram, Headteacher- Gipsey Bridge Academy A Clarke, Headteacher- Spilsby Primary Academy J Sharples, Head of School- St Thomas Primary Academy S Paul, Head of School- Wyberton Primary Academy J Hawkesworth, Chief Finance Officer S Weaver, School Business Manager- Spilsby Primary Academy J Coney, School Business Manager- Gipsey Bridge Academy N Bremner, Deputy Headteacher- Spilsby Primary Academy C Morris, Assistant Headteacher- St Thomas Primary Academy C Stockwell, Assistant Headteacher- St Thomas Primary Academy G Hodgson, Assistant Headteacher- Wyberton Primary Academy J Hawkins, Assistant Headteacher- Wyberton Primary Academy

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

Independent auditor	Streets Audit LLP Chartered Accountants and Statutory Auditor Tower House Lucy Tower Street Lincoln Lincolnshire LN1 1XW
Bankers	Lloyds Bank Plc 60 Market Street Eckington Sheffield S21 4JH
Solicitors	Duncan Pickering 4 Southfields Bourne PE10 9TZ

INFINITY ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The trust operated 4 primary academies in east England, St Thomas CE Primary Academy, Wyberton Primary Academy, Spilsby Primary Academy and Gipsey Bridge Academy. Its current academies have a combined pupil capacity of 975 and had a roll of 914 in the latest school census.

Structure, governance and management

a. Constitution

The Trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's Trust deed is the primary governing document of the Trust.

The Trustees of Infinity Academies Trust Ltd are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Infinity Academies Trust.

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.

b. 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.

c. Trustees' indemnities

The Trust has granted an indemnity to one or more of its Trustees against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision has a limit of £1,000,000.

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

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

The articles of association require the members of the charitable company to appoint at least three trustees to be responsible for the statutory and constitutional affairs of the charitable company and the management of the Trust. The trust may have up to 18 trustees which should include at least 2 parent trustees unless these are represented on a Local Governing Board.

The articles of association require that the Members of the Academy Trust shall comprise:

- (a) the signatories to the Memorandum, who shall be:
 - (i) the Diocesan Board of Education acting corporately by hand of its Director; and
 - (ii) two individual members of the Diocesan Board of Education nominated by it for the purpose;
- (b) the chairman of the Directors; and
- (c) any person appointed under Article 16.

The Board of Trustees may appoint additional trustees. Trustees may be removed by the person or persons who appointed them.

No additional trustees were appointed nor made by the Secretary of State in the year.

e. Policies adopted for the induction and training of Trustees

New Trustees are provided with a comprehensive induction pack containing information on the following:

- Structure of the Trust
- Induction
- Trustee/Governor Profile and Skills Audit
- Allowances
- Code of Practice
- Terms of Reference for the Members
- Terms of Reference for Trustees
- Terms of Reference for the Finance, Audit and Strategy Team
- Terms of Reference for Local Governing Board (Academy Development Committee)
- Policy Management
- Infinity Reporting Timetable 2019/2020
- Trustee and ADC Meeting Schedule
- Member, Trustee and ADC Governor contact list
- Trustee and ADC Roles Links, Inputs and Outputs
- Key Roles of the governing board

They are invited into School to meet with the Headteacher and Chair. Annual skills audits are completed and training sourced as appropriate to fill any shortfall in competency.

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

Structure, governance and management (continued)

f. Organisational structure

The constitution of the board of trustees is set out in the articles of association. The chair is elected annually. Trustees work collectively to assure the strategic intentions of the Multi Academy Trust. The Trustees appoint Headteachers to take responsibility for the day to day management of the constituent academies and designate an Accounting officer.

The Trust has the following committees and governing bodies in place:

Board of Trustees:

S Westaway, Chair of Trustees
D Bruce
J. Mills
S. Brackenbury
S. Griffiths
R. Chipperfield

Local Governing Board of Gipsey Bridge Academy:

T Cockram
S Knight
K Kirk
H Gatens
V Johnson
S King
B Atkinson
S Westaway (co-opted)
K Simonds (until 01/08/19)

Local Governing Board of Spilsby Academy

A Clarke
N Bremner
M Standbrook
G Kedzior
M Aicken
N Turney
M Clarke (until 01/08/19)

Local Governing Board of St Thomas' CE Primary Academy and Wyberton Primary Academy (in Federation):

G Booth
S Brackenbury
A Bradley
P Daubney
G Hodgson
A Kerr
Revd J Robertson
A Smith

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

Structure, governance and management (continued)

g. Arrangements for setting pay and remuneration of key management personnel

The Trust Finance Officer's pay is determined against the LCC pay and conditions and using Performance Management.

The Headteachers' pay is in accordance with the pay and conditions document and the performance management is in accordance with government legislation.

h. Related parties and other connected charities and organisations

The Trust works closely with a number of Learning Partner schools and an up to date list can be found on the Infinity Academies Trust Website.

Objectives and activities

a. Objects and aims

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

The aim of the Trust is to provide a quality education in a caring and disciplined community:

- By maintaining the Trust's reputation for excellent examination results
- By allowing pupils of all abilities to attain their full potential and develop their own special qualities
- By offering a wide range of extracurricular activities and sports
- By maintaining the high standards and expectations of the Trust
- By developing a positive attitude towards equal opportunities for all, regardless of sex, religion or personal difficulties
- By expecting pupils to value all members of the Trust's community and its environment
- By allowing pupils to acquire attitudes and skills which enable them to give purposes to their lives and to make a contribution to the wider community

INFINITY ACADEMIES TRUST LTD
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities (continued)

b. Objectives, strategies and activities

The main objectives, strategies and activities of Trust are summarised below:

- To ensure that every pupil enjoys the same high quality education in terms of resourcing, tuition and care. The Trust carries out regular reviews of its academies to ensure the quality of Teaching & Learning. These focus on key areas to ensure that all pupils at its academies receive the best possible outcomes.
- To raise the standard of educational achievement of all pupils. The Trust uses performance data to compare the performance of its academies against national benchmarks. Key strategic plans are in place within the academies to raise standards in any areas identified for improvement.
- To improve the effectiveness of the Trust by keeping the curriculum and organisational structure under continual review. The Trust carries out regular reviews of its academies to ensure the quality of Teaching & Learning and carries out action research projects to ensure that the curriculum is new and innovative and meeting the needs of its pupils.
- To provide value for money for the funds expected. The Trust has clear financial procedures in place to ensure the monies are well spent and that best value is sought at all times. The Trustees regularly review financial statements from the academies and agree future priorities.
- To comply with all appropriate statutory and curriculum requirements. The academies publish their curriculum online as required by the DfE alongside statutory policies. Trustees review these policies at regular interval.
- To maintain close links with industry and commerce. The Trust is constantly looking to build links with local businesses and the academies seek to raise children's aspirations through enterprise projects.
- To conduct the Trust's business in accordance with the highest standards of integrity, probity and openness. The Trust uses a variety of control measures including both internal and external auditors.

c. Public benefit

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'. Given the activities of the Trust and the student population that it services, the Trustees consider that the Trust's aims are demonstrably to the public benefit.

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

Strategic report

Achievements and performance

a. Key performance indicators

The Trust uses the following performance indicators:

- Ofsted Reports.
- Trust Reviews linked to Teaching & Learning, Safeguarding and Finance.
- Feedback from External Education Consultants.
- Key Stage and Year groups' achievement and attainment results.
- Pupil Numbers.
- Feedback from Parental Questionnaires including Parent-View.
- Pupil Interviews.
- Reporting to the Local Governing Body.
- The budget is not in deficit.

b. Going concern

After making appropriate enquiries, the board of Trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue 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 accounting policies.

Financial review

a. Reserves policy

Subject to EFA's constraints on permitted balances, the Trust's policy is to carry forward a prudent level of resources. At the 31 August 2019 the Trust had £1,181,567 (2018: £388,771) in reserves, excluding fixed asset and pension funds. The total funds carried forward at 31 August 2019 were £1,313,223 (2018: £2,299,505). In the year ended 31 August 2019 the Trust made an overall surplus of £7,809,401 (2018: £76,095), excluding actuarial gains or losses on pension liabilities but including the transfer on conversion of £7,865,837.

The policy of the academy is to maintain a level of reserves equal to or greater than the estimated running costs of the trust for a period of 3 months. This is so that the trust can continue to operate for at least an academic term, at any given point in time. Based on the financial performance of the academy in the year ended 31 August 2019, a reasonable estimate for running costs over a 3 month period would be £721,860. At 31 August 2019 the Trust held sufficient reserves to meet such requirements.

Due to anticipated future cuts in funding the reserves held by the Trust are reviewed regularly by trustees. The trustees are satisfied that the current reserves policy meets the needs of the trust and that a sufficient level of reserves is maintained.

b. Investment policy

The Trust operates an investment policy that seeks to maximise returns, minimise risk and maintain flexibility and access to funds. Current funds are held on deposit.

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

Strategic report (continued)

Financial review (continued)

c. Principal risks and uncertainties

Information is still awaited on future funding for the Trust beyond the next financial year. The impact of national funding spending cuts and of redirected funding streams into the pupil premium for example, may have an adverse effect on grant funding. The Trustees are fully aware of this and predicted changes have been factored in to future budget forecasts and spending decisions.

d. Financial Risk Management Objectives and Policies

Sufficient cash is held in reserve to enable the Trust to support any financial issues that it may experience. Review of monthly financial reports enable any issues to be identified at an early stage. Despite the pension scheme being in deficit, it is not considered to impact the Trust on the basis that that this is not an immediately crystallizing liability.

Fundraising

The Trustees set, and then monitor, the Trust's overall approach to fundraising. The plan takes account of risks, the Trust's values and its relationships with donors and the wider public, as well as its income needs and expectations. Day-to-day activities, and their management, are delegated to paid members of staff.

The Trust's approach to fundraising is guided by:

- acting in the best interests of the Trust
- managing the Trust's resources responsibly, which includes protecting and safeguarding its reputation
- acting with reasonable care and skill

Where appropriate the Trust will work with professional fundraisers, ensuring that the remuneration to the external partner is not excessive in relation to the funds raised.

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

Plans for future periods

The Trustees intend to grow the MAT, and to do this they have obtained funding from the MAT Development & Improvement Fund (MDIF) grant.

The Infinity Trust has added two new schools/academies to the trust in this financial year (18/19), and will add a 5th school in 19/20 assisting with conversion if required. The following financial year (20/21) it is intended to take on two more schools/academies. Each new member of the MAT will contribute to the Trust fund with a percentage of their GAG to allow for costs to be covered and support to be delivered. As a minimum, this will be 2% to cover running costs, with an additional payment for expected support to be determined at the point of joining Infinity.

Sufficient cash is held in reserve to enable to Trust to support any financial issues that it may experience.

Review of monthly financial reports enable any issues to be identified at an early stage. Despite the pension scheme being in deficit, and each Academy now expected to make an annual lump sum contribution, it is not considered to impact on the Trust.

Information is still awaited on future funding for the Trust from 2019/2020 onwards. The impact of national funding spending cuts and of redirected funding streams into the pupil premium for example, may have an adverse effect on grant funding. The Trustees are fully aware of this and predicted changes have been factored in to future budget forecasts and spending decisions.

Funds held as custodian on behalf of others

There are no funds held as Custodian Trustee on behalf of others for the period.

Disclosure of information to auditor

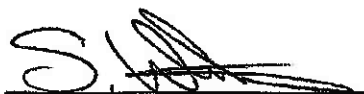
Insofar as the Trustees are aware:

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

Auditor

The auditor, Streets Audit LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

The Trustees' Report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 20 December 2019 and signed on its behalf by:



S Westaway
(Chair of Trustees)

INFINITY ACADEMIES TRUST LTD
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GOVERNANCE STATEMENT

Scope of responsibility

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

The board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, 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 Infinity Academies Trust Ltd 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 and in the Statement of Trustees' responsibilities. The board of Trustees has formally met 6 times during the year.

Attendance during the year at meetings of the board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
S Westaway, Chair of Trustees	6	6
D Bruce	5	6
A Clarke	6	6
T Cockram	6	6
P Corke	4	6
M Standbrook	5	6
J Vickers	2	6
S J Brackenbury	2	2
S P Griffiths	2	2
R E Chipperfield	2	2
D Waldron	1	3
S Morley	0	0
J Mills	0	0

Review of value for money

As accounting officer, the Chief Executive Officer has responsibility for ensuring that the 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 appropriate. The Accounting officer for the Trust has delivered improved value for money during the year by:

- careful scrutiny of the budgets provided for review.
- ensuring that the procurement process has been complied with across the Trust.

INFINITY ACADEMIES TRUST LTD
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GOVERNANCE STATEMENT (CONTINUED)

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of 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 Infinity Academies Trust Ltd for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

The risk and control framework

The 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 the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The board of Trustees has considered the need for a specific internal audit function and has decided to appoint Lincolnshire County Council as internal auditor.

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

- testing of payroll/purchase systems
- testing of control account/bank reconciliations

On a semi-annual basis, the internal auditor reports to the board of Trustees through the audit committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

During the year the Trust's Chief Financial Officer has liaised with the School Business Manager at Spilsby Academy to offer advice and support. Due to a number of control weaknesses being identified the Trust has also employed the external accountants to offer an additional level of scrutiny. Improvements in the processes at Spilsby Academy have been identified.

INFINITY ACADEMIES TRUST LTD
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GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

As accounting officer, the Chief Executive 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 financial management and governance self-assessment process;
- the work of the executive managers within the 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 audit 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 20 December 2019 and signed on their behalf by:



S Westaway
Chair of Trustees



G Booth
Accounting Officer

INFINITY ACADEMIES TRUST LTD
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Infinity Academies Trust Ltd I have considered my responsibility to notify the Trust board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Trust, under the funding agreement in place between the 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 Trust board of Trustees are able to identify any material irregular or improper use of all funds by the Trust, or material non-compliance with the terms and conditions of funding under the 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.



G Booth
Accounting Officer
Date: 20 December 2019

INFINITY ACADEMIES TRUST LTD
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

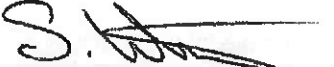
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

Approved by order of the members of the board of Trustees on 20 December 2019 and signed on its behalf by:



S Westaway
(Chair of Trustees)

INFINITY ACADEMIES TRUST LTD
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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
INFINITY ACADEMIES TRUST LTD**

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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.

INFINITY ACADEMIES TRUST LTD
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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
INFINITY ACADEMIES TRUST LTD (CONTINUED)**

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. Other information includes the Reference and Administrative Details, the Trustees' Report including the Strategic Report, and the Governance Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the 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.

INFINITY ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
INFINITY ACADEMIES TRUST LTD (CONTINUED)**

In preparing the financial statements, the Trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the 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 includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

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



Linda Lord (Senior Statutory Auditor)

for and on behalf of

Streets Audit LLP

Chartered Accountants and Statutory Auditor

Tower House

Lucy Tower Street

Lincoln

Lincolnshire

LN1 1XW

Date: *23 December 2019*

INFINITY ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO INFINITY
ACADEMIES TRUST LTD AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 23 November 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Infinity Academies Trust Ltd during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Infinity Academies Trust Ltd and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Infinity Academies Trust Ltd 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 Infinity Academies Trust Ltd and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Infinity Academies Trust Ltd's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Infinity Academies Trust Ltd's funding agreement with the Secretary of State for Education dated 1 February 2013 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

INFINITY ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO INFINITY
ACADEMIES TRUST LTD AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Linda Lord

Linda Lord BSc BFP FCA TEP

Streets Audit LLP

Date: *23 December 2019*

INFINITY ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	As restated Total funds 2018 £
Income from:						
Donations and capital grants:	3					
On conversion		21,347	(718,883)	8,563,373	7,865,837	-
Other donations and capital grants		977	7,919	41,997	50,893	31,216
Charitable activities		191,161	2,655,946	-	2,847,107	1,540,359
Investments	6	323	-	-	323	208
Total income		213,808	1,944,982	8,605,370	10,764,160	1,571,783
Expenditure on:						
Charitable activities	8	40,783	2,739,211	174,765	2,954,759	1,647,878
Total expenditure		40,783	2,739,211	174,765	2,954,759	1,647,878
Net movement in funds before other recognised gains/(losses)		173,025	(794,229)	8,430,605	7,809,401	(76,095)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	27	-	(363,000)	-	(363,000)	187,000
Net movement in funds		173,025	(1,157,229)	8,430,605	7,446,401	110,905
Reconciliation of funds:						
Total funds brought forward		219,639	(608,868)	2,688,734	2,299,505	2,188,600
Net movement in funds		173,025	(1,157,229)	8,430,605	7,446,401	110,905
Total funds carried forward		392,664	(1,766,097)	11,119,339	9,745,906	2,299,505

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

The notes on pages 25 to 51 form part of these financial statements.

INFINITY ACADEMIES TRUST LTD
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08358124

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £	As restated 2018 £
Fixed assets			
Tangible assets	15	11,058,918	2,682,073
		<u>11,058,918</u>	<u>2,682,073</u>
Current assets			
Debtors	16	133,954	156,057
Cash at bank and in hand		1,302,652	328,110
		<u>1,436,606</u>	<u>484,167</u>
Creditors: amounts falling due within one year	17	(194,618)	(88,735)
Net current assets		<u>1,241,988</u>	<u>395,432</u>
Total assets less current liabilities		<u>12,300,906</u>	<u>3,077,505</u>
Net assets excluding pension liability		<u>12,300,906</u>	<u>3,077,505</u>
Defined benefit pension scheme liability	27	(2,555,000)	(778,000)
Total net assets		<u><u>9,745,906</u></u>	<u><u>2,299,505</u></u>
Funds of the Trust			
Restricted funds:			
Fixed asset funds	20	11,119,339	2,688,734
Restricted income funds	20	788,903	169,132
		<u>11,908,242</u>	<u>2,857,866</u>
Restricted funds excluding pension asset	20	11,908,242	2,857,866
Pension reserve	20	(2,555,000)	(778,000)
		<u>9,353,242</u>	<u>2,079,866</u>
Total restricted funds	20	9,353,242	2,079,866
Unrestricted income funds	20	392,664	219,639
		<u>9,745,906</u>	<u>2,299,505</u>
Total funds		<u><u>9,745,906</u></u>	<u><u>2,299,505</u></u>

INFINITY ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2019

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 21 to 51 were approved by the Trustees, and authorised for issue on 20 December 2019 and are signed on their behalf, by:



S Westaway
(Chair of Trustees)

The notes on pages 25 to 51 form part of these financial statements.

INFINITY ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	<i>As restated</i> 2018 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	22	943,050	(34,602)
Cash flows from investing activities	23	31,492	9,811
Change in cash and cash equivalents in the year		974,542	(24,791)
Cash and cash equivalents at the beginning of the year		328,110	352,901
Cash and cash equivalents at the end of the year	24	<u><u>1,302,652</u></u>	<u><u>328,110</u></u>

The notes on pages 25 to 51 form part of these financial statements

INFINITY ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

Infinity Academies Trust Ltd meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Trust 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 Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the 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.

1.3 Income

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

• **Legacies**

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Trust has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Trust, can be reliably measured.

• **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.

• **Transfer on conversion**

Where assets and liabilities are received by the Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

INFINITY ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.4 Expenditure

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Tangible fixed assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on the following bases:

Long Term Leasehold Property	- 50 years straight line
Plant and machinery	- 3 years straight line basis

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.

Land included in Long Term Leasehold Property is not depreciated.

1.7 Debtors

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

INFINITY ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.8 Cash at bank and in hand

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

1.9 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 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.

1.10 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Amounts due to the Trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Trust's wholly owned subsidiary are held at face value less any impairment.

1.11 Pensions

1.12 Fund accounting

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

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

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

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

INFINITY ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The Trust 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations					
Transfer on conversion from Local Authority	21,347	(718,883)	8,563,373	7,865,837	-
Subtotal detailed disclosure	21,347	(718,883)	8,563,373	7,865,837	-
Donations	977	7,919	-	8,896	19,908
Capital Grants	-	-	41,997	41,997	11,308
Subtotal	977	7,919	41,997	50,893	31,216
Total 2019	22,324	(710,964)	8,605,370	7,916,730	31,216
<i>Total 2018</i>	-	19,908	11,308	31,216	

INFINITY ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

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

4. Charitable Activities

	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
DfE/ESFA grants			
General Annual Grant (GAG)	2,187,882	2,187,882	1,166,513
Other DfE Grants	319,570	319,570	199,312
Start Up Grants	75,000	75,000	95,000
Other Government Grants	60,765	60,765	4,338
Total 2019	<u>2,643,217</u>	<u>2,643,217</u>	<u>1,465,163</u>

5. Income from other charitable activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from other charitable activities	191,161	12,729	203,890	75,196
Total 2018	<u>75,196</u>	<u>-</u>	<u>75,196</u>	

6. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Investment income	323	323	208

INFINITY ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

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

7. Expenditure

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
Direct costs:					
Direct costs	1,742,953	-	128,409	1,871,362	1,019,568
Allocated support costs	455,022	130,999	497,376	1,083,397	628,310
Total 2019	2,197,975	130,999	625,785	2,954,759	1,647,878
Total 2018	1,183,324	87,682	376,872	1,647,878	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Direct costs	40,783	2,913,976	2,954,759	1,647,878
Total 2018	-	1,647,878	1,647,878	

9. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Direct costs	1,871,362	1,083,397	2,954,759	1,647,878
Total 2018	1,019,568	628,310	1,647,878	

INFINITY ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

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

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2019 £	Total funds 2018 £
Staff costs	1,742,953	911,667
Educational Supplies	86,518	78,087
Educational Consultancy	41,891	29,814
Total 2019	1,871,362	1,019,568

Analysis of support costs

	Direct costs 2019 £	Total funds 2019 £	Total funds 2018 £
Pension costs	36,000	36,000	23,000
Staff costs	455,022	455,022	271,657
Depreciation	133,983	133,983	66,654
Repairs and maintenance	68,846	68,846	32,814
Cleaning	28,147	28,147	8,808
Utilities	25,863	25,863	17,713
Rates	24,829	24,829	9,725
Rent	12,198	12,198	18,622
Office costs	7,346	7,346	4,380
Insurance	32,918	32,918	13,313
Licences & Subscriptions	24,733	24,733	16,186
Recruitment	406	406	508
Catering	91,233	91,233	66,774
Legal & Professional	74,131	74,131	39,529
ICT costs	39,262	39,262	18,458
Other	6,995	6,995	1,677
Bank charges	1,544	1,544	761
Staff training	19,941	19,941	17,731
Total 2019	1,083,397	1,083,397	628,310

INFINITY ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

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

9. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Operating lease rentals	1,274	3,579
Depreciation of tangible fixed assets	133,983	66,654
Fees paid to auditor for:		
- audit	15,000	12,000

11. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	1,581,557	854,057
Social security costs	127,120	64,589
Pension costs	446,093	224,693
	<u>2,154,770</u>	<u>1,143,339</u>
Agency staff costs	43,205	39,985
	<u>2,197,975</u>	<u>1,183,324</u>

INFINITY ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

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

11. Staff costs (continued)

b. Staff numbers

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

	2019 No.	2018 No.
Teaching Staff	28	14
Administration and Support Staff	60	39
Management	3	2
	<u>91</u>	<u>55</u>

c. Higher paid staff

No employee received remuneration amounting to more than £60,000 in either year.

d. Key management personnel

The key management personnel of the charity comprise the trustees and the senior management team (including the school business manager) as listed on page 1. The total amount of employee benefits (including employer pension contributions but excluding employer national insurance) received by key management personnel- 5 members from September to March, and then a total of 13 from April 2019- August 2019 (2018: 5) was £243,370 (2018: £243,371).

INFINITY ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

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

12. Central services

The Trust has provided the following central services to its academies during the year:

- financial services
- educational support services
- governance services; and
- other services as they arise

The Trust charges for these services on the following basis:

2% of the ESFA General Annual Grant Funding.

The actual amounts charged during the year were as follows:

	2019 £	2018 £
Gipsey Bridge	8,500	7,586
Spilsby	16,337	15,626
St Thomas	11,903	-
Wyberton	6,656	-
Total	43,396	23,212

13. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the 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:

		2019 £	2018 £
T Cockram, Headteacher and Accounting Officer (resigned as trustee 31 March 2019)	Remuneration	30,000 -	40,000 -
		35,000	45,000
	Pension contributions paid	5,000 -	5,000 -
		10,000	10,000
A Clarke, Headteacher (resigned as trustee 31 March 2019)	Remuneration	35,000 -	55,000 -
		40,000	60,000
	Pension contributions paid	5,000 -	5,000 -
		10,000	10,000

Remuneration has only been disclosed for the period which the trustees were in office (up to the resignation date of 31 March 2019).

During the year ended 31 August 2019, expenses totalling £2,017 were reimbursed or paid directly to 2 Trustees (2018 - £2,223 to 2 Trustees). The expenses related to reimbursement of expenditure on educational materials and reimbursement of travel expenses.

INFINITY ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

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

14. Trustees' and Officers' insurance

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

15. Tangible fixed assets

	Long-term leasehold property £	Plant and equipment £	Total £
Cost or valuation			
At 1 September 2018	2,800,000	80,623	2,880,623
Additions	-	10,828	10,828
Acquired on conversion	8,500,000	-	8,500,000
At 31 August 2019	<u>11,300,000</u>	<u>91,451</u>	<u>11,391,451</u>
Depreciation			
At 1 September 2018	135,333	63,217	198,550
Charge for the year	123,317	10,666	133,983
At 31 August 2019	<u>258,650</u>	<u>73,883</u>	<u>332,533</u>
Net book value			
At 31 August 2019	<u>11,041,350</u>	<u>17,568</u>	<u>11,058,918</u>
At 31 August 2018	<u>2,664,667</u>	<u>17,406</u>	<u>2,682,073</u>

INFINITY ACADEMIES TRUST LTD
(A Company Limited by Guarantee)

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

15. Tangible fixed assets (continued)

The land and buildings at the Gipsy Bridge site from which the Academy operates are owned by the Lincoln Diocesan Trust and Board of Finance Limited and used under the terms of a supplemental agreement. The terms of the agreement do not transfer the benefits of ownership to the Academy and, consequently, the value of these assets has not been recognised in the financial statements.

Splisby Primary converted to academy status on 1 April 2016. The assets of the school were subject to a formal valuation on conversion. An appropriate percentage of the insurance valuation, as determined by the trustees of the academy, has been included in fixed assets.

The academy trust's transactions in the period relating to land and buildings included:

The addition on conversion of the acquisition of the leasehold interests in St Thomas' CE Primary School and Wyberton Primary Academy. Independent valuations were conducted by Kier Business Services Limited in December 2019. The value of the interest at St Thomas' CE Primary School was considered to be £6,450,000 including £270,000 of land. The value of the interest at Wyberton Primary Academy was considered to be £2,050,000 including £152,000 of land. Buildings have been depreciation over 50 years straight line in accordance with the academy trust's depreciation policy. Land is not depreciated.

16. Debtors

	2019	<i>As restated</i>
	£	2018
		£
Due within one year		
Trade debtors	2,455	4,490
Other debtors	51,497	13,270
Prepayments and accrued income	80,002	138,297
	<u>133,954</u>	<u>156,057</u>

17. Creditors: Amounts falling due within one year

	2019	2018
	£	£
Trade creditors	20,148	16,987
Other taxation and social security	74,471	36,134
Accruals and deferred income	99,999	35,614
	<u>194,618</u>	<u>88,735</u>

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FOR THE YEAR ENDED 31 AUGUST 2019

18. Accruals and deferred income

	2019	2018
	£	£
Deferred income at 1 September 2018	18,992	20,394
Resources deferred during the year	54,045	18,992
Amounts released from previous periods	(18,992)	(20,394)
Deferred income at 31 August 2019	<u><u>54,045</u></u>	<u><u>18,992</u></u>

Deferred income brought and carried forward relates to income received in advance of the year ended 31 August 2020 and is in respect of Universal Infant Free School Meals funding.

19. Prior year adjustments

The academy trust received notification in April 2018 that a grant of £95,000 was to be awarded to the trust to be spent on MAT development. This was not recognised in the prior year financial statements. In accordance with SORP 2015, academy trusts should recognise income when they have entitlement to that income, the amounts can be measured reliably and it is probable that the income will be received. Although the income was not received until the year ended 31 August 2019, it is correct that the income should have been recognised as a debtor and in the statement of financial activities as income in the prior year, and accordingly an adjustment of £95,000 has been made to income and debtors in the prior year. The net effect has been to increase restricted funds brought forward of £95,000.

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NOTES TO THE FINANCIAL STATEMENTS
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20. Statement of funds

	Balance at 1 September 2018 (as restated) £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds	219,639	213,808	(40,783)	-	-	392,664
Restricted general funds						
General Annual Grant (GAG)	48,688	2,719,471	(2,132,600)	(5,614)	-	629,945
Other DfE/ESFA Grants	118,919	403,224	(365,189)	-	-	156,954
Government grants	-	55,643	(61,257)	5,614	-	-
Other income	1,525	20,644	(20,165)	-	-	2,004
Pension reserve	(778,000)	(1,254,000)	(160,000)	-	(363,000)	(2,555,000)
	<u>(608,868)</u>	<u>1,944,982</u>	<u>(2,739,211)</u>	<u>-</u>	<u>(363,000)</u>	<u>(1,766,097)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds	2,680,378	8,500,000	(133,983)	-	-	11,046,395
Devolved Formula Capital Grants	8,356	105,370	(40,782)	-	-	72,944
	<u>2,688,734</u>	<u>8,605,370</u>	<u>(174,765)</u>	<u>-</u>	<u>-</u>	<u>11,119,339</u>
Total Restricted funds	<u>2,079,866</u>	<u>10,550,352</u>	<u>(2,913,976)</u>	<u>-</u>	<u>(363,000)</u>	<u>9,353,242</u>
Total funds	<u><u>2,299,505</u></u>	<u><u>10,764,160</u></u>	<u><u>(2,954,759)</u></u>	<u><u>-</u></u>	<u><u>(363,000)</u></u>	<u><u>9,745,906</u></u>

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

20. Statement of funds (continued)

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

Unrestricted funds:

General funds represent those resources which may be used towards meeting any of the objects of the Academy at the discretion of the trustees. These are not currently designated for particular purposes.

Restricted funds:

General Annual Grant (GAG) must be used for the normal running costs of the academy.

Other EFA income is made up of grants for insurance costs and rates relief. It includes Pupil Premium, which may be spent for the educational benefit of pupils registered at that school, or for the benefit of pupils registered at other schools; and on community facilities i.e. services whose provision furthers any charitable purpose for the benefit of pupils at the school or their families, or people who live or work in the locality in which the school is situated. In addition, other EFA income includes Universal Free School Meals income which must be used to provide all pupils in reception, year 1 and year 2 with a free school lunch.

Other Government Grants are received to help make special educational provision to meet children's Special Educational Needs.

The Pension Reserve represents the current deficit balance of the pension scheme.

The Restricted Fixed Asset Fund represents the net book value of fixed assets held by the academy.

Other income comprises restricted donations and consultancy income from a variety of sources.

Devolved Formula Capital either allocated direct by the DfE or transferred on conversion from the local authority must be spent on capital purposes.

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

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

20. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2019 were allocated as follows:

	2019	<i>As restated</i>
	£	2018
		£
Infinity Academies Trust	118,826	92,224
Gipsey Bridge Academy	154,825	143,330
Spilsby Primary Academy	187,258	153,217
St Thomas Primary Academy	408,968	-
Wyberton Primary Academy	311,690	-
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	1,181,567	388,771
Restricted fixed asset fund	11,119,339	2,688,734
Pension reserve	(2,555,000)	(778,000)
	<hr/>	<hr/>
Total	9,745,906	2,299,505
	<hr/> <hr/>	<hr/> <hr/>

INFINITY ACADEMIES TRUST LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

20. Statement of funds (continued)

Total cost analysis by academy

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £	Total 2018 £
Central Services	-	3,225	-	53,586	56,811	27,209
Gipsey Bridge Academy	302,669	100,292	20,437	80,766	504,164	534,862
Spilsby Primary Academy	659,168	197,278	50,022	168,124	1,074,592	1,019,153
St Thomas Primary Academy	488,102	117,253	9,720	129,300	744,375	-
Wyberton Primary Academy	293,013	72,973	5,009	69,839	440,834	-
Trust	1,742,952	491,021	85,188	501,615	2,820,776	1,581,224

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

20. Statement of funds (continued)

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

	<i>Balance at 1 September 2017 £</i>	<i>As restated Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2018 £</i>
Unrestricted funds					
General Funds	166,022	79,721	(26,104)	-	219,639
Restricted general funds					
General Annual Grant (GAG)	115,985	1,166,513	(1,233,810)	-	48,688
Other DfE/ESFA Grants	20,909	277,924	(179,914)	-	118,919
Government grants	-	20,726	(20,726)	-	-
Other income	3,203	15,593	(17,271)	-	1,525
Pension reserve	(877,000)	-	(88,000)	187,000	(778,000)
	<u>(738,903)</u>	<u>1,480,756</u>	<u>(1,539,721)</u>	<u>187,000</u>	<u>(608,868)</u>
Restricted fixed asset funds					
Restricted Fixed Asset Funds	2,747,032	-	(66,654)	-	2,680,378
Devolved Formula Capital Grants	12,449	11,308	(15,401)	-	8,356
	<u>2,759,481</u>	<u>11,308</u>	<u>(82,055)</u>	<u>-</u>	<u>2,688,734</u>
Total Restricted funds	<u>2,022,578</u>	<u>1,492,064</u>	<u>(1,621,776)</u>	<u>187,000</u>	<u>2,079,866</u>
Total funds	<u>2,188,600</u>	<u>1,571,785</u>	<u>(1,647,880)</u>	<u>187,000</u>	<u>2,299,505</u>

INFINITY ACADEMIES TRUST LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	11,058,918	11,058,918
Current assets	389,991	986,194	60,421	1,436,606
Creditors due within one year	2,673	(197,291)	-	(194,618)
Provisions for liabilities and charges	-	(2,555,000)	-	(2,555,000)
Total	392,664	(1,766,097)	11,119,339	9,745,906

Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	2,682,073	2,682,073
Current assets	219,639	257,867	6,661	484,167
Creditors due within one year	-	(88,735)	-	(88,735)
Provisions for liabilities and charges	-	(778,000)	-	(778,000)
Total	219,639	(608,868)	2,688,734	2,299,505

INFINITY ACADEMIES TRUST LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

22. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2019 £	2018 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	7,809,401	(76,095)
Adjustments for:		
Fixed Asset on transferred on conversion	(8,500,000)	-
Depreciation	133,983	66,654
Capital grants from DfE and other capital income	(41,997)	(11,308)
Interest receivable	(323)	(208)
Defined benefit pension scheme obligation inherited	1,254,000	-
Defined benefit pension scheme cost less contributions payable	160,000	88,000
Decrease/(increase) in debtors	19,430	(102,526)
Increase in creditors	108,556	881
Net cash provided by/(used in) operating activities	943,050	(34,602)

23. Cash flows from investing activities

	2019 £	2018 £
Dividends, interest and rents from investments	323	208
Purchase of tangible fixed assets	(10,828)	(1,705)
Capital grants from DfE Group	41,997	11,308
Net cash provided by investing activities	31,492	9,811

24. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	1,302,652	328,110
Total cash and cash equivalents	1,302,652	328,110

INFINITY ACADEMIES TRUST LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

25. Conversion to an academy trust

On 1st April 2019 St Thomas C of E Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Infinity Academies Trust Ltd from Lincolnshire County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities.

	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets			
Freehold land and buildings	-	6,450,000	6,450,000
Current assets			
Cash - representing budget surplus on LA funds	300,347	52,495	352,842
Non-current liabilities			
Pension Scheme Liability	(763,000)	-	(763,000)
Net (liabilities)/assets	<u>(462,653)</u>	<u>6,502,495</u>	<u>6,039,842</u>

INFINITY ACADEMIES TRUST LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

25. Conversion to an academy trust (continued)

On 1st April 2019 Wyberton Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Infinity Academies Trust Ltd from Lincolnshire County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities.

	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets			
Freehold land and buildings	-	2,050,000	2,050,000
Current assets			
Cash - representing budget surplus on LA funds	256,118	10,878	266,996
Non-current liabilities			
Pension	(491,000)	-	(491,000)
Net (liabilities)/assets	<u>(234,882)</u>	<u>2,060,878</u>	<u>1,825,996</u>

26. Contingent liabilities

In the event of the constituent academies of Infinity Academies Trust ceasing to operate as academies, provisions are included in the funding agreements relating to the clawback of assets and monies paid to the consistent academies.

27. Pension commitments

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

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

Contributions amounting to £25,619 were payable to the schemes at 31 August 2019 (2018 - £18,402) and are included within creditors.

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NOTES TO THE FINANCIAL STATEMENTS
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27. Pension commitments (continued)

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £169,000 (2018 - £66,000).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

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FOR THE YEAR ENDED 31 AUGUST 2019

27. Pension commitments (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 £185,000 (2018 - £102,000), of which employer's contributions totalled £148,000 (2018 - £81,000) and employees' contributions totalled £ 37,000 (2018 - £21,000). The agreed contribution rates for future years are 18.5 per cent for employers and 12.5 per cent for employees.

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

Principal actuarial assumptions

	2019	2018
	%	%
Rate of increase in salaries	2.7	2.7
Rate of increase for pensions in payment/inflation	2.3	2.4
Discount rate for scheme liabilities	1.9	2.8

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

	2019	2018
	Years	Years
<i>Retiring today</i>		
Males	21.2	22.1
Females	23.5	24.4
<i>Retiring in 20 years</i>		
Males	22.5	24.1
Females	25.2	26.6

Sensitivity analysis

	2019	2018
	£000	£000
Discount rate -0.5%	608,000	205,000
Salary increase rate +0.5%	120,000	58,000
Pension increase rate +0.5%	465,000	143,000

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27. Pension commitments (continued)

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

	At 31 August 2019 £	At 31 August 2018 £
Equities	1,324,000	537,000
Corporate bonds	290,000	110,000
Property	181,000	81,000
Cash and other liquid assets	18,000	8,000
Total market value of assets	1,813,000	736,000

The actual return on scheme assets was £30,000 (2018 - £50,000).

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

	2019 £	2018 £
Current service cost	(255,000)	(146,000)
Past service cost	(17,000)	-
Interest income	30,000	16,000
Interest cost	(66,000)	(39,000)
Total amount recognised in the Statement of Financial Activities	(308,000)	(169,000)

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

	2019 £	2018 £
At 1 September	1,514,000	1,462,000
Transferred in on existing academies joining the trust	2,045,000	-
Current service cost	255,000	146,000
Interest cost	66,000	39,000
Employee contributions	37,000	21,000
Actuarial losses/(gains)	438,000	(153,000)
Benefits paid	(4,000)	(1,000)
Past service costs	17,000	-
At 31 August	4,368,000	1,514,000

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

27. Pension commitments (continued)

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

	2019 £	2018 £
At 1 September	736,000	585,000
Transferred in on existing academies joining the trust	791,000	-
Interest income	30,000	16,000
Actuarial gains	75,000	34,000
Employer contributions	148,000	81,000
Employee contributions	37,000	21,000
Benefits paid	(4,000)	(1,000)
At 31 August	1,813,000	736,000

28. Operating lease commitments

At 31 August 2019 the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	2,105	1,274
Later than 1 year and not later than 5 years	1,288	1,585
	3,393	2,859

29. 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.

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NOTES TO THE FINANCIAL STATEMENTS
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30. Related party transactions

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

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 9.

Supporting Minds, a company related to M Standbrook but not strictly a related party, were engaged in the year to provide counselling services at Spilsby Primary School. The total value of transactions with Supporting Minds was £8,505 (2018: ££8,940). This transaction has been disclosed for the sake of transparency. M Standbrook also resigned as a trustee on 31 March 2019.