

Registered number: 08358124 (England and Wales)

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**INFINITY ACADEMIES TRUST LTD**  
**(A Company Limited by Guarantee)**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2018**

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**INFINITY ACADEMIES TRUST LTD**  
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**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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<b>Members</b>	S Westaway M Standbrook B Brickles
<b>Trustees</b>	S Westaway, Chair of Trustees D Bruce A Clarke, Head Teacher T Cockram, Head Teacher and Accounting Officer P Corke M Standbrook J Vickers K Woods (resigned 1 January 2018)
<b>Company registered number</b>	08358124
<b>Company name</b>	Infinity Academies Trust Ltd
<b>Principal and registered office</b>	Gipsey Bridge Academy Leagate Road Gipsey Bridge Boston Lincolnshire PE22 7BP
<b>Senior management team</b>	T Cockram, Head Teacher - Gipsey Bridge Academy A Clarke, Head Teacher- Spilsby Primary Academy N Bremner, Deputy Head Teacher- Spilsby Primary Academy J Coney, Chief Finance Officer S Weaver, School Business Manager- Spilsby Primary Academy
<b>Independent auditor</b>	Streets Audit LLP Chartered Accountants and Statutory Auditor Tower House Lucy Tower Street Lincoln Lincolnshire LN1 1XW
<b>Bankers</b>	Lloyds Bank Plc 60 Market Street Eckington Sheffield S21 4JH
<b>Solicitors</b>	Duncan Pickering 4 Southfields Bourne PE10 9TZ

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2017 to 31 August 2018. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' report under company law.

The trust operated 2 primary academies in east England, Spilsby Primary Academy and Gipsey Bridge Academy. Its two current academies have a combined pupil capacity of 315 and had a roll of 305 in the school census on 6th October 2017 and 306 on 4th October 2018.

### **Structure, governance and management**

#### **Constitution**

The Trust is a charitable company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association is the primary governing document of the academy trust.

Details of the Trustees who served during the year are included in the reference and administrative details on page 1.

The Trust was incorporated on 14 January 2013. The trustees of Infinity Academies Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as Infinity Academies Trust Ltd (up until 23 November 2015 the Trust was previously known as ISIS Academies Trust Ltd).

#### **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**

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.

#### **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.

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

- a) the signatories to the Memorandum
- b) one person appointed by the Secretary of State, in the event that the Secretary of State appoints a person for this purpose
- c) the Chairman of the Governors

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.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**Policies and Procedures 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 Finance, Resource & Audit Committee
- Terms of Reference for Curriculum and Standards Committee
- Terms of Reference for Sub-Committees
- Terms of Reference for Local Governing Board and Local Advisory 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.

**Organisational Structure**

The constitution of the board of trustees is set out in the articles of association. The chair is elected bi 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  
J Vickers  
P Corke  
T Cockram  
A Clarke  
M Standbrook  
D Bruce

**Local Governing Board of Gipsey Bridge Academy:**

T Cockram  
S Munden  
J Coney  
K Kirk  
R Mason (until 01/03/2018)  
H Gatens  
R Martin (until 01/07/2018)  
K Simonds

**Local Governing Board of Spilsby Academy**

M Standbrook  
A Clarke  
N Bremner  
G Kedzior  
M Aicken  
M Clark

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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**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.

**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**

**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

**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.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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- 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.

**Public Benefit**

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's objectives and aims and in planning future activities for the year. 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.

**Strategic report**

**Achievements and performance**

**Key Performance Indicators**

The Trust uses the following performance indicators:

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

**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 it continues to adopt the going concern basis in preparing the financial statements.

**Financial review**

Overall, excluding actuarial gains/losses, the academy results show net resources expended of £171,095 (2017: £80,938). At the balance sheet date, the academy's balance sheet shows net assets of £2,204,505 (2017: £2,188,600) which includes LGPS deficit of £788,000 (2017: £877,000).

The academy is carrying forward unrestricted funds of £219,639, restricted funds (excluding pension reserve) of £74,130 and restricted fixed asset funds of £2,688,736.

**Reserves Policy**

Subject to EFA's constraints on permitted balances, the Trust's policy is to carry forward a prudent level of resources.

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

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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term, at any given point in time. Based on the financial performance of the academy in the year ended 31 August 2018, a reasonable estimate for basic running costs over a 3 month period would be £250,000. At 31 August 2018 the trust held sufficient reserves to meet such requirements.

The balance of the restricted general funds (excluding the pension reserve) plus unrestricted funds is £293,769 (2017: £306,119). In respect of the total fixed asset fund of £2,688,736, £2,682,073 can only be realised by disposal of tangible fixed assets.

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.

#### **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.

#### **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.

#### **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 crystalizing 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 it's 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.

#### **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 plans to add two new schools/academies to the trust in the next financial year (19/20), assisting with conversion if required. The following financial year it is intended to take on two more

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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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 2018/19 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 Trustee on Behalf of Others**

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

#### **Auditor**

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 28 November 2018 and signed on its behalf by:



**S Westaway**  
**Chair of Trustees**

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**INFINITY ACADEMIES TRUST LTD**  
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**GOVERNANCE STATEMENT**

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**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 Head Teacher, 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. The Board of Trustees has formally met 7 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	7	7
D Bruce	3	7
A Clarke, Head Teacher	7	7
T Cockram, Head Teacher and Accounting Officer	7	7
P Corke	7	7
M Standbrook	5	7
J Vickers	2	7
K Woods	0	0

The Local Governing Body of Splisby Academy is a sub-committee of the main board of Trustees. Its purpose is to govern the operational aspects of the academy, monitor and implement operational functions and to report to the main board of Trustees.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
M Standbrook	3	3
A Clarke (Head Teacher)	3	3
N Bremner	3	3
G Kedzior	3	3
M Aicken	3	3
M Clark	3	3

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**GOVERNANCE STATEMENT (continued)**

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The Local Governing Body of Gipsey Bridge Academy is also a sub-committee of the main board of Trustees. Its purpose is to govern the operational aspects of the academy, monitor and implement operational functions and to report to the main board of Trustees.

Attendance at meetings in the year was as follows:

Governor	Meetings attended	Out of a possible
K Kirk	4	4
T Cockram (Head Teacher)	4	4
H Gatens	4	4
J Coney	3	4
R Martin	2	3
K Simonds	2	4
R Mason	2	3
S Knight	3	4

There are three Members of Infinity, one independent along with S Westaway and M Standbrook who are also Trustees. As the Trust grows these 2 positions will be stand-alone from the Trustees.

The main challenge for the board is filling positions without personnel filling multiple positions, however this will change as the Trust grows.

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

As Accounting officer, the Head Teacher 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.

#### **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 ongoing 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 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

#### **Capacity to Handle Risk**

The Board of Trustees has reviewed the key risks to which the 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 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

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**INFINITY ACADEMIES TRUST LTD**  
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**GOVERNANCE STATEMENT (continued)**

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**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 Local Board of Trustees 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 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 Board of 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.

**Review of Effectiveness**

As Accounting officer, the Head Teacher 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 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 Finance 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 28 November 2018 and signed on its behalf, by:



**S Westaway**  
Chair of Trustees



**T Cockram**  
Headteacher and accounting officer

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**INFINITY ACADEMIES TRUST LTD**  
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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of Infinity Academies Trust Ltd I have considered my responsibility to notify the academy 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 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 2017.

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

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



**T Cockram**  
**Headteacher and accounting officer**

Date: 28/11/2018

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**INFINITY ACADEMIES TRUST LTD**  
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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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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 Annual Accounts Direction issued 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 2017 to 2018;
- 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 28 November 2018 and signed on its behalf by:



**S Westaway**  
**Chair of Trustees**

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

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**OPINION**

We have audited the financial statements of Infinity Academies Trust Ltd (the 'Trust') for the year ended 31 August 2018 which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, 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 2017 to 2018 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 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 2017 to 2018 issued by the Education & Skills Funding Agency.

**Scope of the Audit of the Financial Statements**

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.

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

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**Respective Responsibilities of Trustees and Auditor**

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. 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 has 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.

**Opinion on Financial Statements**

As explained more fully in the Statement of Trustees' Responsibilities, 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.

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

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**INFINITY ACADEMIES TRUST LTD**  
**(A Company Limited by Guarantee)**

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

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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](http://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 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 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 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: 17 December 2018

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**INFINITY ACADEMIES TRUST LTD**  
**(A Company Limited by Guarantee)**

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

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In accordance with the terms of our engagement letter dated 18 September 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Infinity Academies Trust Ltd during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to 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 the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Infinity Academies Trust Ltd and the 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 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**APPROACH**

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

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

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

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

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INFINITY ACADEMIES TRUST LTD  
(A Company Limited by Guarantee)

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

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The work undertaken to draw to our conclusion includes:

- A review of the academy's systems and controls and confirmation of the operation and effectiveness during the year;
- A review of expenditure to confirm the appropriateness and value of money; and
- A review of connected party arrangements, transactions and balances.

**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 year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Linda Lord

**Streets Audit LLP**

Chartered Accountants and Statutory Auditor

Tower House  
Lucy Tower Street  
Lincoln  
Lincolnshire  
LN1 1XW

Date: 17 December 2018

**INFINITY ACADEMIES TRUST LTD**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>INCOME FROM:</b>						
Donations and capital grants	2	4,317	15,591	11,308	31,216	31,004
Charitable activities	4	75,196	1,370,163	-	1,445,359	1,443,757
Investments	3	208	-	-	208	214
<b>TOTAL INCOME</b>		<b>79,721</b>	<b>1,385,754</b>	<b>11,308</b>	<b>1,476,783</b>	<b>1,474,975</b>
<b>EXPENDITURE ON:</b>						
Charitable activities		26,104	1,539,721	82,053	1,647,878	1,555,913
<b>TOTAL EXPENDITURE</b>	5	<b>26,104</b>	<b>1,539,721</b>	<b>82,053</b>	<b>1,647,878</b>	<b>1,555,913</b>
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>						
		53,617	(153,967)	(70,745)	(171,095)	(80,938)
Actuarial gains on defined benefit pension schemes	18	-	187,000	-	187,000	295,000
<b>NET MOVEMENT IN FUNDS</b>		<b>53,617</b>	<b>33,033</b>	<b>(70,745)</b>	<b>15,905</b>	<b>214,062</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward		166,022	(736,903)	2,759,481	2,188,600	1,974,538
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>219,639</b>	<b>(703,870)</b>	<b>2,688,736</b>	<b>2,204,505</b>	<b>2,188,600</b>

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

**BALANCE SHEET**  
**AS AT 31 AUGUST 2018**

	Note	£	2018 £	£	2017 £
<b>FIXED ASSETS</b>					
Tangible assets	11		2,682,073		2,747,022
<b>CURRENT ASSETS</b>					
Debtors	12	61,057		52,531	
Cash at bank and in hand		328,110		352,901	
		<u>389,167</u>		<u>405,432</u>	
<b>CREDITORS: amounts falling due within one year</b>	13	<u>(88,735)</u>		<u>(86,854)</u>	
<b>NET CURRENT ASSETS</b>			<u>300,432</u>		<u>318,578</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>2,982,505</u>		<u>3,065,600</u>
Defined benefit pension scheme liability	18		<u>(778,000)</u>		<u>(877,000)</u>
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITIES</b>			<u>2,204,505</u>		<u>2,188,600</u>
<b>FUNDS OF THE ACADEMY</b>					
Restricted income funds:					
Restricted income funds	14	74,130		140,097	
Restricted fixed asset funds	14	2,688,736		2,759,481	
Restricted income funds excluding pension liability		<u>2,762,866</u>		<u>2,899,578</u>	
Pension reserve		<u>(778,000)</u>		<u>(877,000)</u>	
Total restricted income funds			1,984,866		2,022,578
Unrestricted income funds	14		<u>219,639</u>		<u>166,022</u>
<b>TOTAL FUNDS</b>			<u>2,204,505</u>		<u>2,188,600</u>

The financial statements on pages 18 to 42 were approved by the Trustees, and authorised for issue, on 28 November 2018 and are signed on their behalf, by:



**T Cockram**  
**Head Teacher and Accounting Officer**

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**INFINITY ACADEMIES TRUST LTD**  
**(A Company Limited by Guarantee)**

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

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	Note	2018 £	2017 £
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	16	<u>(34,186)</u>	<u>75,955</u>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		(208)	(214)
Purchase of tangible fixed assets		(1,705)	(4,689)
Capital grants from DfE Group		11,308	11,161
<b>Net cash provided by investing activities</b>		<u>9,395</u>	<u>6,258</u>
<b>Change in cash and cash equivalents in the year</b>		<b>(24,791)</b>	<b>82,213</b>
Cash and cash equivalents brought forward		<u>352,901</u>	<u>270,688</u>
<b>Cash and cash equivalents carried forward</b>	17	<u><u>328,110</u></u>	<u><u>352,901</u></u>

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**INFINITY ACADEMIES TRUST LTD**  
**(A Company Limited by Guarantee)**

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

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**1. ACCOUNTING POLICIES**

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

**1.1 Basis of preparation of financial statements**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

These financial statements are prepared in sterling, which is the functional currency of the entity.

Infinity Academies Trust Ltd constitutes a public benefit entity as defined by 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 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.

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**INFINITY ACADEMIES TRUST LTD**  
**(A Company Limited by Guarantee)**

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

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**1. ACCOUNTING POLICIES (continued)**

**1.3 Income**

All income is recognised once the Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities incorporating Income and Expenditure Account 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities incorporating Income and Expenditure Account 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 are recognised on a receivable basis where receipt is probable and the amount can be reliably measured.

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**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.

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

All expenditure is inclusive of irrecoverable VAT.

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**INFINITY ACADEMIES TRUST LTD**  
(A Company Limited by Guarantee)

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

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**1. ACCOUNTING POLICIES (continued)**

**1.5 Tangible fixed assets and depreciation**

All assets costing more than £2,000 are capitalised 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 incorporating Income and Expenditure Account 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 incorporating Income and Expenditure Account. 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 these assets, less their estimated residual value, over their expected useful lives on the following bases:

Tangible fixed assets are carried at cost or valuation, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long Term Leasehold Property	-	50 years straight line
Plant & Equipment	-	3 years straight line

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

**1.6 Debtors**

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

**1.7 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.

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**INFINITY ACADEMIES TRUST LTD**  
**(A Company Limited by Guarantee)**

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

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**1. ACCOUNTING POLICIES (continued)**

**1.8 Liabilities and provisions**

Liabilities and provisions 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. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.9 Operating leases**

Rentals under operating leases are charged to the Statement of Financial Activities incorporating Income and Expenditure Account on a straight line basis over the lease term.

**1.10 Taxation**

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

**1.11 Pensions**

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the 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 18, 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.

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**INFINITY ACADEMIES TRUST LTD**  
(A Company Limited by Guarantee)

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

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**1. ACCOUNTING POLICIES (continued)**

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 incorporating Income and Expenditure Account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

**1.12 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 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.

**1.13 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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, 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 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.

**INFINITY ACADEMIES TRUST LTD**  
(A Company Limited by Guarantee)

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

**1. ACCOUNTING POLICIES (continued)**

**1.14 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 basis are as follows:

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. 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 costs as detailed in note 13. 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 instruments.

*Cash at bank*- is classified as a basic financial instrument and is measure at fair value.

**2. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations	4,317	15,591	-	19,908	19,843
Capital Grants	-	-	11,308	11,308	11,161
	<u>4,317</u>	<u>15,591</u>	<u>11,308</u>	<u>31,216</u>	<u>31,004</u>
<i>Total 2017</i>	<u>-</u>	<u>19,843</u>	<u>11,161</u>	<u>31,004</u>	

**3. INVESTMENT INCOME**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank Interest	208	-	208	214
	<u>208</u>	<u>-</u>	<u>208</u>	<u>214</u>
<i>Total 2017</i>	<u>214</u>	<u>-</u>	<u>214</u>	

INFINITY ACADEMIES TRUST LTD  
(A Company Limited by Guarantee)

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

4. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	1,166,513	1,166,513	1,167,096
Other DfE Grants	-	199,312	199,312	176,331
Other Government Grants	-	4,338	4,338	36,525
Other income	75,196	-	75,196	63,805
	<u>75,196</u>	<u>1,370,163</u>	<u>1,445,359</u>	<u>1,443,757</u>
<i>Total 2017</i>	<u>63,605</u>	<u>1,380,152</u>	<u>1,443,757</u>	

5. EXPENDITURE

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Direct costs	911,667	-	107,901	1,019,568	947,065
Support costs	271,657	87,682	268,971	628,310	608,848
	<u>1,183,324</u>	<u>87,682</u>	<u>376,872</u>	<u>1,647,878</u>	<u>1,555,913</u>
<i>Total 2017</i>	<u>1,122,285</u>	<u>89,999</u>	<u>343,629</u>	<u>1,555,913</u>	

**INFINITY ACADEMIES TRUST LTD**  
(A Company Limited by Guarantee)

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

**6. CHARITABLE ACTIVITIES**

	<b>Total funds 2018 £</b>	<b>Total funds 2017 £</b>
<b>DIRECT COSTS - EDUCATIONAL OPERATIONS</b>		
Wages and salaries	734,068	687,729
National insurance	56,019	57,420
Pension cost	121,580	117,357
Educational Supplies	78,087	59,220
Educational Consultancy and Visits	29,814	25,339
	<u>1,019,568</u>	<u>947,065</u>
<b>SUPPORT COSTS - EDUCATIONAL OPERATIONS</b>		
Wages and salaries	159,974	162,667
National insurance	8,570	5,896
Pension cost	103,113	91,216
Depreciation	66,654	70,632
Pension finance cost	23,000	23,000
Repairs and maintenance	32,814	45,632
Cleaning	8,808	8,339
Utilities	17,713	20,746
Rates	9,725	12,601
Rent	18,622	2,681
Office cost	4,380	2,197
Insurance	13,313	14,744
Bad debt write off	-	4,366
Licences & Subscriptions	16,186	12,051
Recruitment	508	115
Catering	67,862	65,263
Legal & professional	22,101	9,049
ICT and photocopier costs	18,458	16,728
Other support costs	589	12,047
Bank charges	761	96
Staff training	17,731	10,260
Governance	17,428	18,522
	<u>628,310</u>	<u>608,848</u>
	<u><u>1,647,878</u></u>	<u><u>1,555,913</u></u>

**7. AUDITORS' REMUNERATION**

The Auditor's remuneration amounts to an Audit fee of £8,000 (2017 - £12,000), and other accountancy fees of £3,225 (2017 - £4,500).

**INFINITY ACADEMIES TRUST LTD**  
(A Company Limited by Guarantee)

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

**8. STAFF COSTS**

**a. Staff costs**

Staff costs were as follows:

	2018	2017
	£	£
Wages and salaries	854,057	838,783
Social security costs	64,589	63,316
Operating costs of defined benefit pension schemes	224,693	208,573
	1,143,339	1,110,672
Agency staff costs	39,985	11,613
	1,183,324	1,122,285

**b. Staff numbers**

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

	2018	2017
	No.	No.
Teaching Staff	14	13
Administration and Support Staff	39	37
Management	2	2
	55	52

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

**c. 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 (2017: 5) for their services to the academy trust was £243,371 (2017: £239,377).

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**9. 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 other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

		2018	2017
		£	£
A Clarke (Headteacher - Splisby Primary Academy)	Remuneration	<b>55,000-60,000</b>	<i>55,000-60,000</i>
	Pension contributions paid	<b>5,000-10,000</b>	<i>5,000-10,000</i>
T Cockram ( Headteacher - Gipsey Bridge Academy)	Remuneration	<b>55,000-60,000</b>	<i>40,000-45,000</i>
	Pension contributions paid	<b>5,000-10,000</b>	<i>5,000-10,000</i>

During the year, no Trustees received any benefits in kind (2017 - £NIL).

During the year ended 31 August 2018, expenses totalling £2,233 (2017 - £917) were reimbursed to 2 Trustees (2017 - 2).

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

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

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**11. TANGIBLE FIXED ASSETS**

	Long Term Leasehold Property £	Plant and equipment £	Total £
<b>Cost</b>			
At 1 September 2017	2,800,000	78,918	2,878,918
Additions	-	1,705	1,705
At 31 August 2018	<u>2,800,000</u>	<u>80,623</u>	<u>2,880,623</u>
<b>Depreciation</b>			
At 1 September 2017	79,333	52,563	131,896
Charge for the year	56,000	10,654	66,654
At 31 August 2018	<u>135,333</u>	<u>63,217</u>	<u>198,550</u>
<b>Net book value</b>			
At 31 August 2018	<u>2,664,667</u>	<u>17,406</u>	<u>2,682,073</u>
At 31 August 2017	<u>2,720,667</u>	<u>26,355</u>	<u>2,747,022</u>

The land and buildings at the Gipsey 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.

Spilsby Primary converted to academy status on 1 April 2016. The assets of the school were not 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 and will be depreciated in line with the lease of the property.

**12. DEBTORS**

	2018 £	2017 £
Trade debtors	4,490	-
VAT debtor	10,834	10,887
Other debtors	2,436	-
Prepayments and accrued income	43,297	41,644
	<u>61,057</u>	<u>52,531</u>

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**13. CREDITORS: Amounts falling due within one year**

	2018	2017
	£	£
Trade creditors	16,987	17,002
Other taxation and social security	36,134	27,179
Accruals and deferred income	35,614	42,673
	<u>88,735</u>	<u>86,854</u>
	2018	2017
	£	£
<b>Deferred income</b>		
Deferred income at 1 September	20,394	21,032
Income received in advance	18,992	20,394
Amounts released from previous years	(20,394)	(21,032)
Deferred income at 31 August	<u>18,992</u>	<u>20,394</u>

At the year end, the academies had received funding in advance in respect of UIFSM.

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**14. STATEMENT OF FUNDS**

	Balance at 1 September 2017 £	Incoming Resources £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2018 £
<b>Unrestricted funds</b>					
General Funds	166,022	79,721	(26,104)	-	219,639
<b>Restricted funds</b>					
General Annual Grant (GAG)	115,985	1,166,513	(1,233,810)	-	48,688
Other DfE/EFA Grants	20,909	182,924	(179,914)	-	23,919
Government grants	-	20,726	(20,726)	-	-
Other income	3,203	15,591	(17,271)	-	1,523
Pension reserve	(877,000)	-	(88,000)	187,000	(778,000)
	<u>(736,903)</u>	<u>1,385,754</u>	<u>(1,539,721)</u>	<u>187,000</u>	<u>(703,870)</u>
<b>Restricted fixed asset funds</b>					
Restricted Fixed Asset Funds	2,747,032	-	(66,654)	-	2,680,378
Devolved Formula Capital Grants	12,449	11,308	(15,399)	-	8,358
	<u>2,759,481</u>	<u>11,308</u>	<u>(82,053)</u>	<u>-</u>	<u>2,688,736</u>
Total restricted funds	<u>2,022,578</u>	<u>1,397,062</u>	<u>(1,621,774)</u>	<u>187,000</u>	<u>1,984,866</u>
Total of funds	<u>2,188,600</u>	<u>1,476,783</u>	<u>(1,647,878)</u>	<u>187,000</u>	<u>2,204,505</u>

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.

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**14. STATEMENT OF FUNDS (continued)**

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 that it could carry forward at 31 August 2018.

**ANALYSIS OF ACADEMIES BY FUND BALANCE**

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £	Total 2017 £
Gipsey Bridge Academy	143,330	190,921
Spilsby Primary Academy	153,217	118,366
Central Services	(2,778)	(3,168)
Total before fixed asset fund and pension reserve	<u>293,769</u>	<u>306,119</u>
Restricted fixed asset fund	2,688,736	2,759,481
Pension reserve	(778,000)	(877,000)
Total	<u><u>2,204,505</u></u>	<u><u>2,188,600</u></u>

**ANALYSIS OF ACADEMIES BY COST**

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 2018 £	Total 2017 £
Gipsey Bridge Academy	291,345	96,749	21,824	124,944	534,862	473,270
Spilsby Primary Academy	623,323	195,597	56,263	143,970	1,019,153	988,350
Central costs	(3,000)	2,310	-	27,899	27,209	23,668
	<u><u>911,668</u></u>	<u><u>294,656</u></u>	<u><u>78,087</u></u>	<u><u>296,813</u></u>	<u><u>1,581,224</u></u>	<u><u>1,485,288</u></u>

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**14. STATEMENT OF FUNDS (continued)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	<i>Balance at 1 September 2016 £</i>	<i>Incoming Resources £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2017 £</i>
General Funds	142,119	63,812	(39,909)	-	-	166,022
<b>Restricted funds</b>						
General Annual Grant (GAG)	89,741	1,160,594	(1,137,020)	-	-	113,315
Other DfE/EFA Grants	23,720	161,691	(164,502)	-	-	20,909
Government grants	-	23,309	(23,309)	-	-	-
Other income	-	20,043	(14,170)	-	-	5,873
Pension reserve	(1,094,000)	-	(78,000)	-	295,000	(877,000)
	<u>(980,539)</u>	<u>1,365,637</u>	<u>(1,417,001)</u>	<u>-</u>	<u>295,000</u>	<u>(736,903)</u>
<b>Restricted fixed asset funds</b>						
Restricted Fixed Asset Funds - all funds	2,812,965	-	(70,632)	4,699	-	2,747,032
Devolved Formula Capital Grants	-	45,519	(28,371)	(4,699)	-	12,449
Total restricted funds	<u>1,832,426</u>	<u>1,411,156</u>	<u>(1,516,004)</u>	<u>-</u>	<u>295,000</u>	<u>2,022,578</u>
Total of funds	<u><u>1,974,545</u></u>	<u><u>1,474,968</u></u>	<u><u>(1,555,913)</u></u>	<u><u>-</u></u>	<u><u>295,000</u></u>	<u><u>2,188,600</u></u>

**A CURRENT YEAR 12 MONTHS AND PRIOR YEAR 12 MONTHS COMBINED POSITION IS AS FOLLOWS:**

	<i>Balance at 1 September 2016 £</i>	<i>Incoming Resources £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2018 £</i>
<b>Unrestricted funds</b>						
General Funds	142,119	63,812	(39,909)	-	-	166,022
	-	79,721	(26,104)	-	-	53,617

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**14. STATEMENT OF FUNDS (continued)**

**Restricted funds**

General Annual Grant (GAG)	89,741	2,327,107	(2,370,830)	-	-	46,018
Other DfE/EFA Grants	23,720	344,615	(344,416)	-	-	23,919
Government grants	-	44,035	(44,035)	-	-	-
Other income	-	35,634	(31,441)	-	-	4,193
Pension reserve	(1,094,000)	-	(166,000)	-	482,000	(778,000)
	<u>(980,539)</u>	<u>2,751,391</u>	<u>(2,956,722)</u>	<u>-</u>	<u>482,000</u>	<u>(703,870)</u>

**Restricted fixed asset funds**

Restricted Fixed Asset Funds - all funds	2,812,965	-	(137,286)	4,699	-	2,680,378
Devolved Formula Capital Grants	-	56,827	(43,770)	(4,699)	-	8,358
	<u>1,832,426</u>	<u>2,808,218</u>	<u>(3,137,778)</u>	<u>-</u>	<u>482,000</u>	<u>1,984,866</u>
Total of funds	<u>1,974,545</u>	<u>2,951,751</u>	<u>(3,203,791)</u>	<u>-</u>	<u>482,000</u>	<u>2,204,505</u>

**15. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	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	162,865	6,663	389,167
Creditors due within one year	-	(88,735)	-	(88,735)
Provisions for liabilities and charges	-	(778,000)	-	(778,000)
	<u>219,639</u>	<u>(703,870)</u>	<u>2,688,736</u>	<u>2,204,505</u>

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**15. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	<i>Unrestricted funds</i>	<i>Restricted funds</i>	<i>Restricted fixed asset funds</i>	<i>Total funds</i>
	2017	2017	2017	2017
	£	£	£	£
Tangible fixed assets	-	-	2,747,022	2,747,022
Current assets	252,876	140,097	12,459	405,432
Creditors due within one year	(86,854)	-	-	(86,854)
Provisions for liabilities and charges	-	(877,000)	-	(877,000)
	<u>166,022</u>	<u>(736,903)</u>	<u>2,759,481</u>	<u>2,188,600</u>

**16. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2018	2017
	£	£
Net expenditure for the year (as per Statement of Financial Activities)	(171,095)	(80,938)
<b>Adjustment for:</b>		
Depreciation charges	66,654	70,632
Gains on investments	208	214
(Increase)/decrease in debtors	(7,526)	60,175
Increase/(decrease) in creditors	881	(40,967)
Capital grants from DfE and other capital income	(11,308)	(11,161)
Defined benefit pension scheme cost less contributions payable	88,000	78,000
<b>Net cash (used in)/provided by operating activities</b>	<u>(34,186)</u>	<u>75,955</u>

**17. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2018	2017
	£	£
Cash in hand	328,110	352,901
<b>Total</b>	<u>328,110</u>	<u>352,901</u>

**18. PENSION COMMITMENTS**

The Trust's employees belong to two principal pension schemes: the Teacher's 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 and South Yorkshire Pensions. Both are defined benefit pension schemes.

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**18. PENSION COMMITMENTS (continued)**

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 £18,402 were payable to the schemes at 31 August 2018 (2017 - 11,443) and are included within creditors.

**Teachers' Pension Scheme**

**Introduction**

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

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

**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 April 2019.

The employer's pension costs paid to TPS in the period amounted to £66,000 (2017 - £61,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website ([www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx](http://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx)).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The

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**18. PENSION COMMITMENTS (continued)**

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

**Local Government Pension Schemes**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £102,000 (2017 - £115,000), of which employer's contributions totalled £81,000 (2017 - £93,000) and employees' contributions totalled £21,000 (2017 - £22,000). The agreed contribution rates for future years are 18.5% for employers and a maximum of 12.5% 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.  
Lincolnshire County Council Pension Fund

Principal actuarial assumptions:

	<b>2018</b>	<i>2017</i>
Discount rate for scheme liabilities	<b>2.80 %</b>	<i>2.50 %</i>
Rate of increase in salaries	<b>2.70 %</b>	<i>2.80 %</i>
Rate of increase for pensions in payment / inflation	<b>2.30 %</b>	<i>2.40 %</i>

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

	<b>2018</b>	<i>2017</i>
Retiring today		
Males	<b>22.1</b>	<i>22.1</i>
Females	<b>24.4</b>	<i>24.4</i>
Retiring in 20 years		
Males	<b>24.1</b>	<i>24.1</i>
Females	<b>26.6</b>	<i>26.6</i>

<b>Sensitivity analysis</b>	<b>At 31 August 2018</b>	<i>At 31 August 2017</i>
	<b>£</b>	<i>£</i>
Discount rate -0.5%	<b>205,000</b>	<i>198,000</i>
Salary increase rate +0.5%	<b>58,000</b>	<i>62,000</i>
Pension increase rate +0.5%	<b>143,000</b>	<i>130,000</i>

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**18. PENSION COMMITMENTS (continued)**

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	537,000	457,000
Bonds	110,000	70,000
Property	81,000	53,000
Cash and other liquid assets	8,000	6,000
	<u>736,000</u>	<u>586,000</u>

The actual return on scheme assets was £50,000 (2017 - £77,000).

The amounts recognised in the Statement of Financial Activities incorporating Income and Expenditure Account are as follows:

	2018 £	2017 £
Current service cost	(146,000)	(148,000)
Interest income	16,000	10,000
Interest cost	(39,000)	(33,000)
	<u>(169,000)</u>	<u>(171,000)</u>
Actual return on scheme assets	<u>50,000</u>	<u>77,000</u>

Movements in the present value of the defined benefit obligation were as follows:

	2018 £	2017 £
Opening defined benefit obligation	1,462,000	1,488,000
Current service cost	146,000	148,000
Interest cost	39,000	33,000
Employee contributions	21,000	22,000
Actuarial gains	(153,000)	(228,000)
Benefits paid	(1,000)	(1,000)
	<u>1,514,000</u>	<u>1,462,000</u>

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**18. PENSION COMMITMENTS (continued)**

Movements in the fair value of the Trust's share of scheme assets:

	2018 £	2017 £
Opening fair value of scheme assets	585,000	394,000
Interest income	16,000	10,000
Actuarial losses	34,000	67,000
Employer contributions	81,000	93,000
Employee contributions	21,000	22,000
Benefits paid	(1,000)	(1,000)
Closing fair value of scheme assets	<u>736,000</u>	<u>585,000</u>

**19. OPERATING LEASE COMMITMENTS**

At 31 August 2018 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2018 £	2017 £
<b>Amounts payable:</b>		
Within 1 year	1,274	3,579
Between 1 and 5 years	1,585	273
Total	<u>2,859</u>	<u>3,852</u>

**20. 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 constituent academies.

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**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 Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

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

R G Coney, who is related party due to his connection to J Coney undertook repairs for the Trust in the year. The academy spent £nil on repairs with R G Coney (2017: £1,521).

Supporting Minds, a company related to M Standbrook, were engaged in the year to provide counselling services at Spilsby Primary School. The total value of transactions with Supporting Minds was £8,940 (2017: £nil).

**22. MEMBERS' LIABILITY**

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