

ALEXANDRA ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2018

Haines Watts
Chartered Accountants & Registered Auditors
Bridge House
157A Ashley Road
Hale
Altrincham
Cheshire
WA14 2UT

ALEXANDRA ACADEMY TRUST

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ALEXANDRA ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Mr S Hall (Chair) (resigned 22.10.18)
Mr D Malam (Vice chair)
Mrs P Simpson (Principal & Accounting Officer)
Mrs G Edwards
Mrs A Evans
Mr G Fairbairn
Mr A Guildford
Mrs P Latchford (appointed 28.03.2018)
Mr A Pavey (appointed 28.03.2018)
Mr N Pierce
Mr D Warr (appointed 08.09.2017)

Members

Mrs S Brookfield (appointed 01.03.18)
Mr J Dhesi (resigned 13.09.18)
Mr S Hall (resigned 22.10.18)
Dr A Heald (resigned 28.02.18)
Mr S James
Mr D Terry

Senior management team:

- Principal Mrs P Simpson (Accounting Officer)
- Vice Principal Mrs P Turner
- Assistant Vice Principal Mrs L Kelly
- Assistant Vice Principal Miss A Fisher
- Assistant Vice Principal Mr S Watts
- Business Manager Mrs K Burgess (Chief financial officer)

Company name

Alexandra Academy Trust

Principal and registered office

Monks Coppenhall Primary School, Remer Street, Crewe CW1 4LY

Company registration number

09978459 (England and Wales)

Independent auditor

Haines Watts, Bridge House, Ashley Road, Hale,
Altrincham WA14 2UT

Bankers

Lloyds Bank, 13 Victoria Street, Crewe CW1 2JQ

Solicitors

Slater & Gordon, 58 Mosley Street, Manchester M2 3HZ

ALEXANDRA ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2018

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 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 operates a primary academy for pupils aged 4 to 11 and a day nursery for children from 0 to 4 years, serving a catchment area in Cheshire East. The planned admission number (PAN) was increased to 90 with effect from September 2017 and the age range of the academy was changed to 2 to 11 prior to the academy successfully winning the tender to run the onsite day nursery. The current pupil capacity for academic year 2018/19 is 480 (90 PAN in Y1 & YR & 60 PAN in Yr 3-6) and the number on roll at the school census in October 2018 was 421. The number of daily child care places available at the nursery is 50. Current numbers on roll are 60

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the academy trust. The trustees of Alexandra Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Alexandra Academy Trust.

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

Members' liability

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

Trustees' indemnities

The academy is a member of the Department for Education's risk protection arrangements (RPA), an alternative to commercial insurance where UK government funds cover losses that arise. The 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 costs of the RPA scheme.

Method of recruitment and appointment or election of trustees

The members of the academy trust shall comprise:-

- The signatories to the memorandum
- The chair of trustees/directors
- Any person appointed under a special resolution

The members agree by passing a special resolution in writing to appoint such additional members as they think fit and may agree by passing a special resolution in writing to remove any such additional members, provided that such appointment or removal is in the interests of the academy trust.

Any new trustee/director would be appointed based on an assessment of the member's skills set.

Co-opted trustees/directors are nominated and seconded by members of the board. Parent trustees/directors are nominated and seconded by parents/carers. Where there are more nominations than vacancies, an election is held.

Other than the principal (accounting officer), there will be no staff trustees/directors on the board

Policies and procedures adopted for the induction and training of trustees

Trustees have access to a comprehensive training package and receive full induction in accordance with the academy's trustees' induction document.

ALEXANDRA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Organisational structure

The principal is the accounting officer. All members delegate the day to day running of the academy to the board of trustees (with the exception of appointing two members of the board). The board of trustees/directors delegates certain responsibilities to the Behaviour, Safety & Inclusion Committee, Leadership & Management Committee and the Teaching & Progress Committee.

Arrangements for setting pay and remuneration of key management personnel

The setting of the pay and remuneration of the academy's key management personnel is completed using the School Teachers' Pay & Conditions Document (STPCD). The pay of key management personnel is benchmarked against local schools and academies and is in line with DfE recommendations.

Trade union facility time

Relevant union officials – NIL

Facility time spent on trade union activities – NIL

Percentage of pay bill spent on facility time – NIL

Paid trade union activities – NIL

Related parties and other connected charities and organisations

Monks Coppenhall Academy is currently the only academy within the Alexandra Academy Trust. The academy trust formed a trading subsidiary, Monks Coppenhall Academy Day Nursery Limited, a company limited by guarantee, on 23 February 2018. The trading subsidiary manages the on-site day nursery. The academy trust is not connected to, or related to, any other organisations as defined by the relevant Charities SORP. The members, trustees, senior staff and their families are regarded as related parties in accordance with the definition in the Charities SORP. All transactions with such parties are conducted in accordance with the academy financial regulations and procurement procedures.

Objectives and activities

Objects and aims

The objects of the academy, as laid down in the Articles of Association, are to advance, for the public benefit, education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

Objectives, strategies and activities

At Alexandra Academy Trust we aim 'To be the best we can in mind, body & spirit'

To this end the activities provide:

- Teaching and learning for all children to ensure they reach their full potential
- Tracking of pupil progress, aiming to diminish the gap between those in receipt of pupil premium and those not in receipt nationally
- Continuing to develop leadership through continued professional development opportunities
- Providing extended school provision including a range of after school activities
- Providing high quality learning experiences across the academy and day nursery
- Promoting British Values throughout the curriculum

The aim of the Day Nursery is 'Working together to create better futures' The academy responded to an open market tender process to operate the onsite day nursery and was successful. The rationale behind this was to improve outcomes for children on entry to school.

Due to high quality training, environment and resources the nursery is now on an upward trajectory. On entry to the nursery the children are generally significantly below age related expectations. We have employed highly skilled practitioners to improve outcomes for children. Through continuous staff training and modelling and high quality resources, it is anticipated that the nursery will continue to improve.

Public benefit

The trustees confirm they have referred to the guidance contained in the Charity Commission's guidance on public benefit.

ALEXANDRA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Strategic report

Achievements and performance

Year 6 KS2 Results - Three-Year Comparison – 2018

	2016	2016 Progress Measures	2017	2017 Progress Measures	2018	2018 Progress Measures	Difference from 2018 between...	
							2016	2017
Reading	60%	█	67%	-0.01	77%	█	█	█
Writing	60%	█	71%	-1.08	83%	█	█	█
SPAG	74%	N/A	78%	N/A	75%	N/A	█	█
Maths	59%	-1.65	65%	█	73%	█	█	█

1. End of KS2 Attainment – Pupil Premium (School) compared to Non-Pupil Premium (Nationally)	Previous Attainment 2016-17			Current Attainment 2017-18			Difference 2018 compared to 2017
	Pupils eligible for PP (school)	Pupils not eligible for PP (national average)	Diminishing the Difference	Pupils eligible for PP (school)	Pupils not eligible for PP (national average)	Diminishing the Difference	
End of KS2							
% achieving in reading, writing and maths	45%	61%	-16%	58%	64%	-6%	Reduced by 10%
% making progress in reading	59%	71%	-12%	69%	75%	-6%	Reduced by 6%
% making progress in writing	64%	76%	-12%	85%	78%	█	█
% making progress in maths	59%	75%	-16%	73%	76%	-3%	Reduced by 13%

Key performance indicators

Analysis of pupil data and test results confirm that the board of trustees has utilised its financial resources, including the Pupil Premium Grant, to ensure that the vast majority of children meet the expected standard or above.

Current results indicate a diminishing of the gap for those children in receipt of pupil premium compared to those children not in receipt nationally.

The academy carries out rigorous external validation commissioned through ECM Consultants. As part of this service an external learning partner, a Lead Ofsted Inspector, validates internal judgements and supports the academy in identifying areas to further develop. Results reported above confirm an upward trend in both achievement and attainment.

ALEXANDRA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Pupil attendance is closely monitored and was 95.7% for academic year 2017/18 which is slightly below national at 96.1%. However, persistent absence has shown a decline and is 7.13% compared to 8.12% nationally. Pupil attendance will continue to be closely monitored during academic year 2018/19. The academy has commissioned an external educational welfare officer to support with further improvements.

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

Most of the academy trust's income is received from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2018 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the year ended 31 August 2018, total expenditure was £2,489,000. Recurrent grant funding from the ESFA together with other incoming resources totalled £4,041,000. The excess of income over expenditure for the year was £1,552,000.

As at 31 August 2018 the value of net current assets was £271,000. The assets were used exclusively for providing education and the associated support services to the children of the academy. Total funds held at the balance sheet date were £4,892,000.

The net movement in funds during the year was £1,730,000.

Reserves policy

The trustees review the reserve levels of the academy annually. The review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. This will ensure sufficient funds to cover unexpected emergencies and urgent maintenance. The trustees plan to look at investments in a higher interest account to enable future building projects. This will be reviewed in the spring term 2019.

As at 31 August 2018, the academy had a balance of £161,000 in restricted general reserves and a balance of £110,000 in unrestricted reserves, £103,000 being unrestricted reserves of the academy and £7,000 being unrestricted reserves of the day nursery.

Investment policy

In accordance with our Treasury Management Policy, monies surplus to the working requirements shall be invested in term deposits with Lloyds Bank. The academy will not take out any long term investments until after the expansion programme has been finally completed and a reliable cash flow pattern has been established. Monies will only be paid into term deposits not exceeding 6 months.

Principal risks and uncertainties

A risk register which is maintained at the academy is reviewed at least annually by the Leadership & Management Committee and more frequently where necessary. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the academy and the actions being taken to reduce and mitigate risks. Risks are prioritised using a consistent scoring system.

Outlined below is a description of the principal risk factors that may affect the academy. Not all the factors are within the academy's control. Other factors besides those listed below may also adversely affect the academy.

1. Government funding

The academy has considerable reliance on continued government funding through the ESFA. There can be no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

This risk is mitigated in a number of ways:

- By ensuring the academy is rigorous in delivering high quality education and training; and
- Considerable focus and investment is placed on maintaining and managing key relationships with the ESFA.

ALEXANDRA ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

2. **Maintain adequate funding of pension liabilities:**

The financial statements report the share of the Local Government Pension Scheme deficit on the academy's balance sheet in line with the requirements of FRS102.

Fundraising

The academy trust works closely with the 'Friends of Monks' group, a group made up of parents/carers and staff from the academy. The group organised various fundraising events throughout the academic year for children and parents. These events include an Easter bingo evening, a summer fayre and a Christmas fayre. Funds raised from these various activities have been used to subsidise educational visits, Christmas activities for children and also a contribution towards the 'Monks Mile' path.

Parents/carers are kept informed via the weekly newsletter of any fundraising events, the amount of money raised and how it will be spent.

Plans for future periods

The board of trustees has the following priorities set for future development:

- To continually improve achievement and outcomes for children across the academy and day nursery
- To further develop the leadership capacity across the academy with a particular focus on middle leadership
- To ensure the high standards in behaviour and safety are maintained
- To embed the Nursery provision and raise expectations and outcomes
- Further development of the outdoor area following the recent expansion programme to include a Multi Use Games Area (MUGA) a 'Monks Mile' track and 'Tranquil Garden' area
- To liaise with Cheshire East Children's Services and the Regional Schools Commissioner to consult on the feasibility of developing a 7 place Resource Provision specifically for autistic children
- To build relationships with specific schools to investigate the possibility of growing the multi academy trust

Auditor

Insofar as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the 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.

Under Section 487(2) of the Companies Act 2006, Haines Watts will be deemed to have been appointed as auditors 28 days after these financial statements were sent to Members or 28 days after the latest date prescribed for filing accounts with the registrar, whichever is earlier.

This trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors on 6/12/18 and signed on the board's behalf by:



David Malam
Vice chair of trustees

ALEXANDRA ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2018

Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that Alexandra Academy Trust 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 principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Alexandra Academy Trust 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 three times during the period. Attendance during the period at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
S Hall (Chairman)	0	3
D Malam (Vice chair)	3	3
A Guildford	3	3
P Simpson (Principal & Accounting Officer)	3	3
G Edwards	2	3
A Evans	2	3
G Fairbairn	2	3
P Latchford	2	2
A Pavey	1	2
N Pierce	2	3
D Warr	3	3

Governance reviews:

The board of director/trustees has supported the academy trust during the expansion project which was completed in March 2018. The trustees have supported the academy in the successful tender bid for onsite nursery provision. A new limited company has been created to operate all nursery activities under the umbrella of the academy trust. trustees continue to review the structure of the board and its committees and also to annually review the Terms of Reference for each committee. The trustees have recruited new trustees to enhance the skills set of the board. Please see the academy website for the full impact statement.

The Leadership & Management Committee is a sub-committee of the main board of trustees. Its purpose is to:

- Effectively review and manage the finances of the academy (including staffing and pay awards) as well as the maintenance and development of the school buildings and grounds.
- To ensure robust financial probity through monitoring and challenge of financial procedures and reports.
- To receive all internal assurance reviews and to report any findings to the board of trustees.

Trustee	Meetings attended	Out of a possible
S Hall	1	3
D Malam (Chair)	3	3
P Simpson (Principal & Accounting Officer)	3	3
G Edwards	3	3
A Guildford	3	3
D Warr	2	3
A Pavey	2	2

Audit

The Alexandra Academy Trust does not have a separate Audit Committee. The board of directors/trustees collectively have the responsibility for audit.

ALEXANDRA ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Review of value for money

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

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

- constantly reviewing contracts and supplies to ensure best value;
- benchmarking expenditure against similar size local schools/academies; and
- networking with other school leaders and sharing best practice.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Alexandra Academy Trust for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The risk and control framework

The academy 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 Leadership & Management 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; and
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided:

- to appoint Haines Watts as an internal auditor

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a termly basis, the internal auditor reports to the board of directors through the Leadership & Management Committee on the operation of the systems of control and on the discharge of the directors' financial responsibilities.

The internal auditor has delivered their schedule of work as planned. No material control issues have been identified.

ALEXANDRA ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Review of effectiveness

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

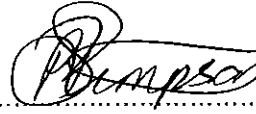
- the work of the internal auditor;
- the work of the external auditor; and
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Leadership & Management 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 directors on 6/12/18 and signed on its behalf by:



David Malam
Vice chair of trustees



Pamela Simpson
Accounting officer

ALEXANDRA ACADEMY TRUST

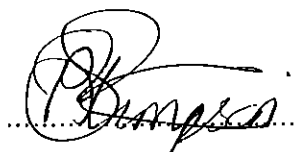
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2018

As accounting officer of Alexandra Academy Trust 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's 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.



Pamela Simpson
Accounting officer

Date 6/12/18

ALEXANDRA ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2018

The trustees (who are also the directors of Alexandra Academy Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts 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 accounts for each financial year. Under company law the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing these accounts, the trustees are required to:

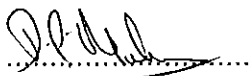
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The 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 accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 6/12/18 and signed on its behalf by:



David Malam
Vice chair of trustees

ALEXANDRA ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALEXANDRA ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2018

Opinion

We have audited the consolidated accounts of Alexandra Academy Trust for the year ended 31 August 2018 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the balance sheet, the consolidated statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

ALEXANDRA ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALEXANDRA ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated 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 the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the academy 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 charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

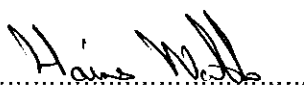
ALEXANDRA ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALEXANDRA ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

Use of our report

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



John Whittick BSc FCA (Senior Statutory Auditor)

for and on behalf of Haines Watts

Chartered Accountants

Statutory Auditor

Bridge House

Ashley Road

Hale

Altrincham

WA14 2UT

Date: 6 December 2018

ALEXANDRA ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ALEXANDRA ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2018

In accordance with the terms of our engagement letter dated 25 May 2016 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 Alexandra Academy Trust during the period 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Alexandra Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Alexandra Academy Trust's funding agreement with the Secretary of State for Education dated 23 May 2016 and the Academies Financial Handbook, extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

ALEXANDRA ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ALEXANDRA ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

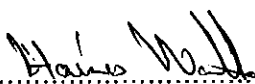
FOR THE YEAR ENDED 31 AUGUST 2018

The work undertaken to draw to our conclusion includes:

- We have confirmed that the activities conform to the academy trust's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the academy trust are within the academy trust's framework of authorities.
- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the academy trust and extended the procedures required for financial statements to include regularity.
- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the academy trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the academy trust's delegated authorities and that the internal delegations have been approved by the board of trustees, and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the board of trustees and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the academy trust's charitable objects.

Conclusion

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


.....

Haines Watts
Reporting Accountant

Dated: *6/12/18*

ALEXANDRA ACADEMY TRUST

STATEMENT OF CONSOLIDATED FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	Unrestricted Funds £000	Restricted funds: General £000	Fixed asset £000	Total 2018 £000	Total 2017 £000
Income and endowments from:						
Donations and capital grants	3	4	-	1,688	1,692	777
Charitable activities:						
- Funding for educational operations	4	-	2,169	-	2,169	2,040
Monks Coppenhall Academy Day Nursery	8	99	-	-	99	-
Other trading activities	5	79	2	-	81	78
Total		<u>182</u>	<u>2,171</u>	<u>1,688</u>	<u>4,041</u>	<u>2,895</u>
Expenditure on:						
Raising funds	6	36	-	-	36	16
Charitable activities:						
- Educational operations	7	60	2,200	101	2,361	2,169
Monks Coppenhall Academy Day Nursery	8	92	-	-	92	-
Total		<u>188</u>	<u>2,200</u>	<u>101</u>	<u>2,489</u>	<u>2,185</u>
Net income/(expenditure)		(6)	(29)	1,587	1,552	710
Transfers between funds	17	-	(201)	201	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit pension schemes	20	-	178	-	178	87
Net movement in funds		(6)	(52)	1,788	1,730	797
Reconciliation of funds						
Total funds brought forward		<u>116</u>	<u>(541)</u>	<u>3,587</u>	<u>3,162</u>	<u>2,365</u>
Total funds carried forward		<u>110</u>	<u>(593)</u>	<u>5,375</u>	<u>4,892</u>	<u>3,162</u>

ALEXANDRA ACADEMY TRUST

CONSOLIDATED BALANCE SHEET

AS AT 31 AUGUST 2018

	Notes	2018		2017	
		£000	£000	£000	£000
Fixed assets					
Tangible assets	12		5,375		3,587
Current assets					
Debtors	14	127		488	
Cash at bank and in hand		357		503	
		<u>484</u>		<u>991</u>	
Current liabilities					
Creditors: amounts falling due within one year	15	(213)		(551)	
Net current assets			<u>271</u>		<u>440</u>
Net assets excluding pension liability			5,646		4,027
Defined benefit pension scheme liability	20		(754)		(865)
Net assets			<u>4,892</u>		<u>3,162</u>
Funds of the academy trust:					
Restricted funds	17				
- Fixed asset funds			5,375		3,587
- Restricted income funds			161		324
- Pension reserve			(754)		(865)
Total restricted funds			<u>4,782</u>		<u>3,046</u>
Unrestricted income funds	17		<u>110</u>		<u>116</u>
Total funds			<u>4,892</u>		<u>3,162</u>

The accounts were approved by the trustees and authorised for issue on 6/12/18 and are signed on their behalf by:



David Malam
Vice chair of trustees

Company Number 09978459


ALEXANDRA ACADEMY TRUST

ACADEMY BALANCE SHEET

AS AT 31 AUGUST 2018

	Notes	2018		2017	
		£000	£000	£000	£000
Fixed assets					
Tangible assets	12		5,375		3,587
Current assets					
Debtors	14	119		488	
Cash at bank and in hand		351		503	
		<u>470</u>		<u>991</u>	
Current liabilities					
Creditors: amounts falling due within one year	15	(206)		(551)	
		<u>470</u>		<u>991</u>	
Net current assets			264		440
Net assets excluding pension liability			5,639		4,027
Defined benefit pension liability	20		(754)		(865)
Net assets			<u>4,885</u>		<u>3,162</u>
Funds of the academy trust:					
Restricted funds	17				
- Fixed asset funds			5,375		3,587
- Restricted income funds			161		324
- Pension reserve			(754)		(865)
Total restricted funds			<u>4,782</u>		<u>3,046</u>
Unrestricted income funds	17		103		116
Total funds			<u>4,885</u>		<u>3,162</u>

The accounts were approved by the trustees and authorised for issue on 6/12/18 and are signed on their behalf by:


David Malam
Vice chair of trustees

Company Number 09978459

ALEXANDRA ACADEMY TRUST

STATEMENT OF CONSOLIDATED CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	2018 £000	£000	2017 £000	£000
Cash flows from operating activities					
Net cash provided by operating activities	21		116		246
Cash flows from investing activities					
Capital grants from DfE Group		9		13	
Capital funding received from sponsors and others		1,618		751	
Purchase of tangible fixed assets		(1,889)		(753)	
Net cash (used in)/provided by investing activities			<u>(262)</u>		<u>11</u>
Net (decrease)/increase in cash and cash equivalents in the reporting period			(146)		257
Cash and cash equivalents at beginning of the year			<u>503</u>		<u>246</u>
Cash and cash equivalents at end of the year			<u><u>357</u></u>		<u><u>503</u></u>

ALEXANDRA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

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

1.1 Basis of preparation

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

Alexandra Academy Trust 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, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy 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 accounts and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Basis of consolidation

These financial statements consolidate the results of the academy trust and its sole subsidiary undertaking, Monks Coppenhall Academy Day Nursery Limited. As a consolidated group statement of financial activities is published, a separate statement of financial activities for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

1.4 Income

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

Grants

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

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

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

ALEXANDRA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

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

Other income

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

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

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

1.5 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

ALEXANDRA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

1.6 Tangible fixed assets and depreciation

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

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

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

Land and buildings	land - nil, buildings 2% straight line
Assets under construction	nil
Computer equipment	33.33% straight line
Fixtures, fittings & equipment	20% straight line

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

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

1.7 Liabilities

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

1.8 Leased assets

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

1.9 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

ALEXANDRA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

1 Accounting policies

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. 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.

1.10 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.11 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a projected unit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate..

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

Monks Coppenhall Academy Day Nursery Limited operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.12 Fund accounting

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

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

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

ALEXANDRA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

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 20, 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.

3 Donations and capital grants

	Unrestricted funds £000	Restricted funds £000	Total 2018 £000	Total 2017 £000
Capital grants	-	9	9	764
Other donations	4	1,679	1,683	13
	<u>4</u>	<u>1,688</u>	<u>1,692</u>	<u>777</u>

The income from donations and capital grants was £1,692,000 (2017: £777,000) of which £4,000 was unrestricted (2017: £13,000) and £1,688,000 was restricted fixed assets (2017: £764,000).

ALEXANDRA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

4 Funding for the academy trust's educational operations

	Unrestricted funds £000	Restricted funds £000	Total 2018 £000	Total 2017 £000
DfE / ESFA grants				
General annual grant (GAG)	-	1,786	1,786	1,787
Other DfE group grants	-	266	266	214
	<u>-</u>	<u>2,052</u>	<u>2,052</u>	<u>2,001</u>
Other government grants				
Local authority grants	-	102	102	39
	<u>-</u>	<u>102</u>	<u>102</u>	<u>39</u>
Other funding				
Other incoming resources	-	15	15	-
	<u>-</u>	<u>15</u>	<u>15</u>	<u>-</u>
Total funding	<u>-</u>	<u>2,169</u>	<u>2,169</u>	<u>2,040</u>

The income from funding for educational operations was £2,169,000 (2017: £2,040,000) of which £2,169,000 was restricted (2017: £2,040,000).

The academy trust received £34,000 (2017: £39,000) of high needs funding and £68,000 (2017: £nil) funding for the provision of nursery care from the local authority in the year.

The academy trust also received capital grants totalling £1,679,000 (2017: £751,000) from the local authority in the year included in note 3. There were no unfulfilled conditions or other contingencies relating to the grants in the year.

5 Other trading activities

	Unrestricted funds £000	Restricted funds £000	Total 2018 £000	Total 2017 £000
Catering income	28	-	28	27
Parental contributions	17	-	17	3
Other income	34	2	36	48
	<u>79</u>	<u>2</u>	<u>81</u>	<u>78</u>

The income from other trading activities was £81,000 (2017: £78,000), of which £79,000 was unrestricted (2017: £72,000) and £2,000 was restricted (2017: £6,000).

ALEXANDRA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

6 Expenditure	Non Pay Expenditure			Total 2018 £000	Total 2017 £000
	Staff costs £000	Premises £000	Other £000		
Expenditure on raising funds					
- Direct costs	-	-	36	36	16
Academy's educational operations					
- Direct costs	1,346	91	92	1,529	1,489
- Allocated support costs	421	114	297	832	680
	<u>1,767</u>	<u>205</u>	<u>425</u>	<u>2,397</u>	<u>2,185</u>

Expenditure on raising funds was £36,000 (2017: £16,000) of which £36,000 was unrestricted (2017: £16,000).

Net income/(expenditure) for the year includes:	2018 £000	2017 £000
Fees payable to auditor for:		
- Audit	6	6
- Other services	7	5
Depreciation of tangible fixed assets	101	57
Net interest on defined benefit pension liability	23	19
	<u>137</u>	<u>87</u>

7 Charitable activities	Unrestricted funds		Total 2018 £000	Total 2017 £000
	£000	£000		
Direct costs				
Educational operations	-	1,529	1,529	1,489
Support costs				
Educational operations	60	772	832	680
	<u>60</u>	<u>2,301</u>	<u>2,361</u>	<u>2,169</u>

Analysis of costs	2018 £000	2017 £000
Direct costs		
Teaching and educational support staff costs	1,330	1,340
Staff development	16	23
Depreciation	91	51
Educational supplies and services	92	75
	<u>1,529</u>	<u>1,489</u>

ALEXANDRA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

7 Charitable activities	2018	2017
	£000	£000
Support costs		
Support staff costs	421	352
Depreciation	10	6
Maintenance of premises and equipment	42	21
Cleaning	10	15
Energy costs	32	22
Rent, rates and other occupancy costs	12	13
Insurance	8	5
Catering	132	95
Interest on defined benefit pension scheme	23	19
Other support costs	97	57
Governance costs	45	75
	<u>832</u>	<u>680</u>
8 Monks Coppenhall Academy Day Nursery Limited trading account	2018	2017
	£000	£000
Income		
Direct Income		
Local authority grant income	74	-
Other Income		
Parental contributions	25	-
	<u>99</u>	<u>-</u>
Total income	99	-
Expenditure		
Direct costs		
Direct staff costs	59	-
Other direct costs	1	-
	<u>60</u>	<u>-</u>
Other costs		
Maintenance of premises and equipment	7	-
Rent, rates and other occupancy costs	8	-
Cleaning	1	-
Catering	4	-
Legal and professional costs	10	-
Other support costs	2	-
	<u>32</u>	<u>-</u>
Total expenditure	<u>92</u>	<u>-</u>
Surplus/(deficit) for the period to 31 August 2018	7	-
Monks Coppenhall Academy Day Nursery Limited at 1 September 2017	<u>-</u>	<u>-</u>
Monks Coppenhall Academy Day Nursery Limited at 31 August 2018	<u>7</u>	<u>-</u>

ALEXANDRA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

9 Staff

Staff costs

Staff costs during the year were:

	2018 £000	2017 £000
Wages and salaries	1,336	1,275
Social security costs	111	105
Pension costs	319	253
Staff costs	1,766	1,633
Agency staff costs	44	59
Staff development and other staff costs	16	23
Total staff expenditure	1,826	1,715

Staff numbers

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

	2018 Number	2017 Number
Teachers	14	15
Administration and support	40	37
Management	6	7
Nursery staff	4	-
	64	59

Higher paid staff

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

	2018 Number	2017 Number
£60,001 - £70,000	1	2
£70,001 - £80,000	1	-

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £415,551 (2017; £414,408).

ALEXANDRA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

10 Trustees' remuneration and expenses

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees. During the year ended 31 August 2018, no expenses were reimbursed to trustees (2017; £279 reimbursed to one trustee).

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

P Simpson (Principal)

Remuneration £70,001 - £75,000 (2017: £65,001 - £70,000)

Employer's pension contributions £10,001 - £15,000 (2017: £10,001 - £15,000)

S Watts (Staff trustee) - resigned as a trustee on 31 August 2017

Remuneration £0 (2017: £45,001 - £50,000)

Employer's pension contributions £0 (2017: £5,001 - £10,000)

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

11 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 cost of the RPA scheme.

ALEXANDRA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

12 Tangible fixed assets – group and academy

	Land and buildings	Assets under construction	Computer equipment	Fixtures, fittings & equipment	Total
	£000	£000	£000	£000	£000
Cost					
At 1 September 2017	2,854	751	24	32	3,661
Transfer	2,558	(2,558)	-	-	-
Additions	-	1,807	40	42	1,889
At 31 August 2018	5,412	-	64	74	5,550
Depreciation					
At 1 September 2017	54	-	11	9	74
Charge for the year	65	-	21	15	101
At 31 August 2018	119	-	32	24	175
Net book value					
At 31 August 2018	5,293	-	32	50	5,375
At 31 August 2017	2,800	751	13	23	3,587

The net book value of land and buildings comprises:

	2018 £000	2017 £000
Long leaseholds (over 50 years)	5,293	2,800

13 Investments

The academy trust formed a company limited by guarantee in the name of Monks Coppenhall Academy Day Nursery Limited, a company incorporated in England, registration number 11222030. The principal activity of the company is the provision of nursery care for 0-4 year olds.

Turnover for the period ended 31 August 2018 was £98,536, expenditure was £92,361 and the profit for the year was £6,175. The profit for the year will be donated to the academy trust by way of gift aid donation following the year end. The assets of the company at 31 August 2018 were £33,802, liabilities were £27,627 and capital and reserves were £6,175.

14 Debtors

	Group 2018 £000	Group 2017 £000	Academy 2018 £000	Academy 2017 £000
Trade debtors	4	-	-	-
VAT recoverable	19	45	19	45
Prepayments and accrued income	104	443	100	443
	127	488	119	488

ALEXANDRA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

15 Creditors: amounts falling due within one

	Group 2018 £000	Group 2017 £000	Academy 2018 £000	Academy 2017 £000
Trade creditors	-	2	-	2
Other taxation and social security	35	30	31	30
Other creditors	36	67	56	67
Accruals and deferred income	142	452	119	452
	<u>213</u>	<u>551</u>	<u>206</u>	<u>551</u>

16 Deferred income

	Group 2018 £000	Group 2017 £000	Academy 2018 £000	Academy 2017 £000
Deferred income is included within:				
Creditors due within one year	<u>56</u>	<u>35</u>	<u>33</u>	<u>35</u>
Deferred income as at 1 September 2017	35	-	35	-
Released from previous years	(35)	-	(35)	-
Resources deferred in the year	<u>56</u>	<u>35</u>	<u>33</u>	<u>35</u>
Deferred income at 31 August 2018	<u><u>56</u></u>	<u><u>35</u></u>	<u><u>33</u></u>	<u><u>35</u></u>

At the balance sheet date, the academy trust was holding £56,042 of deferred income. £32,885 of this related to Universal Infant Free School Meals grant received in advance and £23,157 related to nursery fees received in advance.

ALEXANDRA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

17 Funds - Group

	Balance at 1 September 2017 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2018 £000
Restricted general funds					
General Annual Grant (GAG)	293	1,786	(1,767)	(161)	151
Other DfE / ESFA grants	31	266	(287)	-	10
Other government grants	-	102	(62)	(40)	-
Other restricted funds	-	17	(17)	-	-
Pension reserve	(865)	-	(67)	178	(754)
	<u>(541)</u>	<u>2,171</u>	<u>(2,200)</u>	<u>(23)</u>	<u>(593)</u>
Restricted fixed asset funds					
Inherited funds	2,836	-	(43)	-	2,793
DfE group capital grants	-	9	(1)	-	8
Capital expenditure from GAG	-	-	(36)	201	165
LA capital grants	751	1,679	(21)	-	2,409
	<u>3,587</u>	<u>1,688</u>	<u>(101)</u>	<u>201</u>	<u>5,375</u>
Total restricted funds	<u>3,046</u>	<u>3,859</u>	<u>(2,301)</u>	<u>178</u>	<u>4,782</u>
Unrestricted funds					
General funds	116	83	(96)	-	103
Nursery funds	-	99	(92)	-	7
	<u>-</u>	<u>182</u>	<u>(188)</u>	<u>-</u>	<u>110</u>
Total funds	<u>3,162</u>	<u>4,041</u>	<u>(2,489)</u>	<u>178</u>	<u>4,892</u>

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

Restricted general funds are those resources that have been designated by the grant provider in meeting the objectives of the academy and are restricted to both the day to day running of the academy and capital expenditure.

Restricted fixed asset funds are those funds relating to the long term assets of the academy used in delivering the objectives of the academy.

Unrestricted funds are those which the board of trustees may use in the pursuance of the academy's objectives and are expendable at the discretion of the trustees.

The transfer from General Annual Grant restricted general fund to restricted fixed asset funds and from other government grants restricted general fund to restricted fixed asset funds is to meet the cost of fixed asset additions for which there were no specific capital funding in the year.

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

ALEXANDRA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

17 Funds – Group

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

	Balance at 1 September 2016 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2017 £000
Restricted general funds					
General Annual Grant (GAG)	164	1,787	(1,669)	11	293
Other DfE / ESFA grants	122	214	(305)	-	31
Other government grants	-	39	(39)	-	-
Other restricted funds	-	6	(6)	-	-
Pension reserve	(879)	-	(73)	87	(865)
	<u>(593)</u>	<u>2,046</u>	<u>(2,092)</u>	<u>98</u>	<u>(541)</u>
Restricted fixed asset funds					
Transfer on conversion	2,891	-	(55)	-	2,836
DfE group capital grants	-	13	(2)	(11)	-
LA capital grants	-	751	-	-	751
	<u>2,891</u>	<u>764</u>	<u>(57)</u>	<u>(11)</u>	<u>3,587</u>
Total restricted funds	<u>2,298</u>	<u>2,810</u>	<u>(2,149)</u>	<u>87</u>	<u>3,046</u>
Unrestricted funds					
General funds	<u>67</u>	<u>85</u>	<u>(36)</u>	<u>-</u>	<u>116</u>
Total funds	<u>2,365</u>	<u>2,895</u>	<u>(2,185)</u>	<u>87</u>	<u>3,162</u>

ALEXANDRA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

17 Funds - Group

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

	Balance at 1 September 2016 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2018 £000
Restricted general funds					
General Annual Grant (GAG)	164	3,573	(3,436)	(150)	151
Other DfE / ESFA grants	122	480	(592)	-	10
Other government grants	-	141	(101)	(40)	-
Other restricted funds	-	23	(23)	-	-
Pension reserve	(879)	-	(140)	265	(754)
	<u>(593)</u>	<u>4,217</u>	<u>(4,292)</u>	<u>75</u>	<u>(593)</u>
Restricted fixed asset funds					
Transfer on conversion	2,891	-	(98)	-	2,793
DfE group capital grants	-	22	(3)	(11)	8
Capital expenditure from GAG	-	-	(36)	201	165
LA capital grant	-	2,430	(21)	-	2,409
	<u>2,891</u>	<u>2,452</u>	<u>(158)</u>	<u>190</u>	<u>5,375</u>
Total restricted funds	<u>2,298</u>	<u>6,669</u>	<u>(4,450)</u>	<u>265</u>	<u>4,782</u>
Unrestricted funds					
General funds	67	168	(132)	-	103
Nursery funds	-	99	(92)	-	7
	<u>-</u>	<u>267</u>	<u>(224)</u>	<u>-</u>	<u>50</u>
Total funds	<u>2,365</u>	<u>6,936</u>	<u>(4,674)</u>	<u>265</u>	<u>4,892</u>

ALEXANDRA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

17 Funds – Academy

	Balance at 1 September 2017 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2018 £000
Restricted general funds					
General Annual Grant (GAG)	293	1,786	(1,767)	(161)	151
Other DfE / ESFA grants	31	266	(287)	-	10
Other government grants	-	102	(62)	(40)	-
Other restricted funds	-	17	(17)	-	-
Pension reserve	(865)	-	(67)	178	(754)
	<u>(541)</u>	<u>2,171</u>	<u>(2,200)</u>	<u>(23)</u>	<u>(593)</u>
Restricted fixed asset funds					
Transfer on conversion	2,836	-	(43)	-	2,793
DfE group capital grants	-	9	(1)	-	8
Capital expenditure from GAG	-	-	(36)	201	165
LA capital grants	751	1,679	(21)	-	2,409
	<u>3,587</u>	<u>1,688</u>	<u>(101)</u>	<u>201</u>	<u>5,375</u>
Total restricted funds	<u>3,046</u>	<u>3,859</u>	<u>(2,301)</u>	<u>178</u>	<u>4,782</u>
Unrestricted funds					
General funds	<u>116</u>	<u>83</u>	<u>(96)</u>	<u>-</u>	<u>103</u>
Total funds	<u>3,162</u>	<u>3,942</u>	<u>(2,397)</u>	<u>178</u>	<u>4,885</u>

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

Restricted general funds are those resources that have been designated by the grant provider in meeting the objectives of the academy and are restricted to both the day to day running of the academy and capital expenditure.

Restricted fixed asset funds are those funds relating to the long term assets of the academy used in delivering the objectives of the academy.

Unrestricted funds are those which the board of trustees may use in the pursuance of the academy's objectives and are expendable at the discretion of the trustees.

The transfer from General Annual Grant restricted general fund to restricted fixed asset funds and from other government grants restricted general fund to restricted fixed asset funds is to meet the cost of fixed asset additions for which there were no specific capital funding in the year.

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

ALEXANDRA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

17 Funds - Academy

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

	Balance at 1 September 2016 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2017 £000
Restricted general funds					
General Annual Grant (GAG)	164	1,787	(1,669)	11	293
Other DfE / ESFA grants	122	214	(305)	-	31
Other government grants	-	39	(39)	-	-
Other restricted funds	-	6	(6)	-	-
Pension reserve	(879)	-	(73)	87	(865)
	<u>(593)</u>	<u>2,046</u>	<u>(2,092)</u>	<u>98</u>	<u>(541)</u>
Restricted fixed asset funds					
Transfer on conversion	2,891	-	(55)	-	2,836
DfE group capital grants	-	13	(2)	(11)	-
LA capital grants	-	751	-	-	751
	<u>2,891</u>	<u>764</u>	<u>(57)</u>	<u>(11)</u>	<u>3,587</u>
Total restricted funds	<u>2,298</u>	<u>2,810</u>	<u>(2,149)</u>	<u>87</u>	<u>3,046</u>
Unrestricted funds					
General funds	67	85	(36)	-	116
Total funds	<u>2,365</u>	<u>2,895</u>	<u>(2,185)</u>	<u>87</u>	<u>3,162</u>

ALEXANDRA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

17 Funds – Academy

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

	Balance at 1 September 2016 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2018 £000
Restricted general funds					
General Annual Grant (GAG)	164	3,573	(3,436)	(150)	151
Other DfE / ESFA grants	122	480	(592)	-	10
Other government grants	-	141	(101)	(40)	-
Other restricted funds	-	23	(23)	-	-
Pension reserve	(879)	-	(140)	265	(754)
	<u>(593)</u>	<u>4,217</u>	<u>(4,292)</u>	<u>75</u>	<u>(593)</u>
Restricted fixed asset funds					
Transfer on conversion	2,891	-	(98)	-	2,793
DfE group capital grants	-	22	(3)	(11)	8
Capital expenditure from GAG	-	-	(36)	201	165
LA capital grants	-	2,430	(21)	-	2,409
	<u>2,891</u>	<u>2,452</u>	<u>(158)</u>	<u>190</u>	<u>5,375</u>
Total restricted funds	<u>2,298</u>	<u>6,669</u>	<u>(4,450)</u>	<u>265</u>	<u>4,782</u>
Unrestricted funds					
General funds	67	168	(132)	-	103
	<u>67</u>	<u>168</u>	<u>(132)</u>	<u>-</u>	<u>103</u>
Total funds	<u>2,365</u>	<u>6,837</u>	<u>(4,582)</u>	<u>265</u>	<u>4,885</u>

ALEXANDRA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

18 Total funds and total cost analysis by entity – Group

Fund balances at 31 August 2018 were allocated as follows:

	2018 £000	2017 £000
Alexandra Academy	264	440
Monks Coppenhall Academy Day Nursery Limited	7	-
Total before fixed assets and pension reserve	<u>271</u>	<u>440</u>
Restricted fixed asset reserve	5,375	3,587
Pension reserve	(754)	(865)
	<u>4,892</u>	<u>3,162</u>

	Teaching & educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs (exc. depreciation) £000	Total 2018 £000	Total 2017 £000
Alexandra Academy	1,346	421	92	401	2,260	2,112
Monks Coppenhall Academy Day Nursery Limited	59	-	-	33	92	-
	<u>1,405</u>	<u>421</u>	<u>92</u>	<u>434</u>	<u>2,352</u>	<u>2,112</u>

19 Analysis of net assets between funds - Group

	Unrestricted Funds £000	Restricted funds: General £000	Fixed asset £000	Total Funds £000
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	-	-	5,375	5,375
Current assets	323	161	-	484
Creditors falling due within one year	(213)	-	-	(213)
Defined benefit pension liability	-	(754)	-	(754)
Total net assets	<u>110</u>	<u>(593)</u>	<u>5,375</u>	<u>4,892</u>

ALEXANDRA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

19 Analysis of net assets between funds – Group

	Unrestricted Funds £000	Restricted funds: General £000	Fixed asset £000	Total Funds £000
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	-	-	3,587	3,587
Current assets	991	-	-	991
Creditors falling due within one year	(875)	324	-	(551)
Defined benefit pension liability	-	(865)	-	(865)
Total net assets	<u>116</u>	<u>(541)</u>	<u>3,587</u>	<u>3,162</u>

Analysis of net assets between funds - Academy

	Unrestricted Funds £000	Restricted funds: General £000	Fixed asset £000	Total Funds £000
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	-	-	5,375	5,375
Current assets	309	161	-	470
Creditors falling due within one year	(206)	-	-	(206)
Defined benefit pension liability	-	(754)	-	(754)
Total net assets	<u>103</u>	<u>(593)</u>	<u>5,375</u>	<u>4,885</u>

	Unrestricted Funds £000	Restricted funds: General £000	Fixed asset £000	Total Funds £000
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	-	-	3,587	3,587
Current assets	116	875	-	991
Creditors falling due within one year	-	(551)	-	(551)
Defined benefit pension liability	-	(865)	-	(865)
Total net assets	<u>116</u>	<u>(541)</u>	<u>3,587</u>	<u>3,162</u>

ALEXANDRA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

20 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012, and that of the LGPS related to the period ended 31 March 2016.

Contributions amounting to £34,935 (2017: £27,142) were payable to the schemes at 31 August 2018 and are included within creditors.

Monks Coppenhall Academy Day Nursery Limited operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year that they are payable. Contributions amounting to £1,186 were payable to the scheme at 31 August 2018 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' 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 the TPS in the period amounted to £115,473 (2017: £114,043).

ALEXANDRA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

20 Pension and similar obligations

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 26.8% for employers and 5.5-12.5% for employees. The estimated value of employer contributions for the forthcoming year is £168,000.

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

Total contributions made	2018 £000	2017 £000
Employer's contributions	159	138
Employees' contributions	32	29
Total contributions	<u>191</u>	<u>167</u>

Principal actuarial assumptions	2018 %	2017 %
Rate of increase in salaries	2.6	2.7
Rate of increase for pensions in payment/inflation	2.3	2.4
Discount rate for scheme liabilities	<u>2.8</u>	<u>2.5</u>

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

	2018 Years	2017 Years
Retiring today		
- Males	22.3	22.3
- Females	24.5	24.5
Retiring in 20 years		
- Males	23.9	23.9
- Females	<u>26.5</u>	<u>26.5</u>

ALEXANDRA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

20 Pension and similar obligations

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Sensitivity analysis

Changes in assumptions at 31 August 2018	Approximate % increase to Employer Liability	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	13%	204
0.5% increase in the Salary Increase Rate	3%	38
0.5% increase in the Pension Increase Rate	11%	163

The academy trust's share of the assets in the scheme

	2018 Fair value £000	2017 Fair value £000
Equities	127	345
Bonds	67	156
Cash	2	17
Property	19	39
Total market value of assets	<u>215</u>	<u>557</u>

The actual return on scheme assets was £31,000 (2017: £61,000).

Amount recognised in the statement of financial activities

	2018 £000	2017 £000
Current service cost	203	192
Interest income	(15)	(9)
Interest cost	38	28
Total operating charge	<u>226</u>	<u>211</u>

Changes in the present value of defined benefit obligations

	2018 £000
At 1 September 2017	(1,422)
Current service cost	(203)
Interest cost	(38)
Employee contributions	(32)
Actuarial loss/(gain)	162
Benefits paid	7
At 31 August 2018	<u>(1,526)</u>

ALEXANDRA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

20 Pension and similar obligations

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

	2018 £000
At 1 September 2017	557
Interest income	15
Actuarial gain	16
Employer contributions	159
Employee contributions	32
Benefits paid	(7)
	<hr/>
At 31 August 2018	<u>772</u>

21 Reconciliation of net income to net cash flow from operating activities

	2018 £000	2017 £000
Net income for the reporting period (as per the statement of financial activities)	1,552	710
Adjusted for:		
Capital grants from DfE/ESFA and other capital income	(1,688)	(764)
Defined benefit pension costs less contributions payable	44	54
Defined benefit pension net finance cost	23	19
Depreciation of tangible fixed assets	101	57
Decrease/(increase) in debtors	422	(290)
(Decrease)/increase in creditors	(338)	460
	<hr/>	<hr/>
Net cash provided by operating activities	<u>116</u>	<u>246</u>

22 Commitments under operating leases – Group and Academy

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

	2018 £000	2017 £000
Amounts due within one year	5	4
Amounts due in two and five years	9	-
	<hr/>	<hr/>
	<u>14</u>	<u>4</u>

ALEXANDRA ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

23 Capital commitments – Group and Academy

	2018 £000	2017 £000
Expenditure contracted for but not provided in the accounts	<u>29</u>	<u>120</u>

24 Related party transactions – Group and Academy

Owing to the nature of the academy 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 the academy trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

T Hadzik, daughter of P Simpson, head teacher and trustee, is employed by the academy trust as a teaching assistant. T Hadzik's appointment was made in open competition and P Simpson was not involved in the decision making process regarding appointment. T Hadzik is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a trustee/head teacher.

C Warr, wife of D Warr, trustee, is employed by the academy trust as PA to the Principal. C Warr's appointment was made many years before D Warr was appointed as a trustee. C Warr is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a trustee.

At the balance sheet date £21,243 was owed by the Alexandra Academy Trust to Monks Coppenhall Academy Day Nursery Limited.

25 Members' liability

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