

THE MINERVA LEARNING TRUST (DORSET)
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

DRAFT

**THE MINERVA LEARNING TRUST (DORSET)
(A COMPANY LIMITED BY GUARANTEE)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST
FOR THE YEAR ENDED 31 AUGUST 2017**

Members	R Kayes P Stone P Tompkins R Wales
Trustees	A Evans (resigned 21 July 2017) ^{1,4} A Ledgard ^{1,3} E M Stones ² C Bath, Chairman ^{1,2,3,4} D Jenkins ² K Taylor, Executive Principal ^{1,2,3,4} D Powell, Vice Chairman ^{1,3} B Shelley (resigned 21 July 2017) ^{1,3} J Piper ³ A Moss ⁴ K Peraux ² S Brown (appointed 17 October 2016) ⁴ A Ragbourne ²
	1 Human Resources 2 Finance & Premises 3 Performance & Standards 4 Audit
Company registered number	08561222
Company name	The Minerva Learning Trust (Dorset)
Principal and registered office	The Sir John Colfox Academy Ridgeway Bridport Dorset DT6 3DT

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST
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Advisers (continued)

Company secretary G Jacobs

Accounting Officer K Taylor

Senior management team
K Taylor, Executive Head
D Herbert, Headteacher
D Brown, Headteacher
H Farmer, Headteacher
C Staple, Headteacher
G Jacobs, Finance Director

Independent auditors
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
2nd Floor Stratus House
Emperor Way
Exeter Business Park
Exeter
EX1 3QS

Bankers
Lloyds Bank
16 A High Street
Cosham
Portsmouth
Dorset
PO6 3BY

Solicitors
Taylor Culshaw
60 High Street
Burnham-On-Sea
TA8 1AG

**THE MINERVA LEARNING TRUST (DORSET)
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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2017. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates 3 primary and 1 secondary academies in Bridport. Its academies have a combined pupil capacity of 1,600 and had a roll of 1,508 in the school census on 1 September 2017.

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 The Minerva Learning Trust (Dorset) are also the directors of the charitable company for the purposes of company law. The charitable company is known as The Minerva Learning Trust (Dorset).

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

Members' Liability

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

Trustees' Indemnities

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

Prior to conversion the Steering Group, in conjunction with the Salisbury Diocesan Board of Education (SDBE), identified 4 suitable persons to be Members of the company such that one Member was appointed with the express approval of the SDBE to satisfy the Church of England requirement for 25% representation.

The Members subsequently appointed 7 Trustees plus the Executive Principal and the SDBE appointed 4 Trustees ensuring 25% representation of the Church of England. The principles used to appoint the Trustees were based on achieving a suitable skill mix to best serve the objects of the Trust.

Trustees are appointed for a four-year period, except that this time limit does not apply to the Executive Principal. Any Trustee can be re-appointed.

The Trustees may appoint up to 4 co-opted Trustees with the consent of the SDBE.

The Trustees elect a chair and vice-chair from among their number at the commencement of each school year.

The Members appoint any new or replacement Trustees having taken advice from the existing Trustees and will give consideration to the mix of skills and experience in order to ensure that the Board has the necessary skills to contribute fully to the Trust's development. A similar approach will be taken with those Trustees appointed by the SDBE.

Each school has retained a Local Governing Body (LGB) that acts as a committee of the Trust Board. The Governors are appointed by the LGB with the approval of the Trust Board. The Governors elect a chair and vice-chair from among their number at the commencement of each school year subject to the approval of the Trust Board. The functions and proceedings of the LGBs are subject to regulations made by the Trustees from time to time.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees depends on their existing experience but will always include a tour of all the schools and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies. A programme of training is undertaken by the MLT and one Trustee has responsibility for ensuring that the appropriate training takes place.

Organisational Structure

The Board of Trustees normally meets once each half term. The Board establishes an overall framework for the governance of the MLT and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale

There are 4 committees as follows;

- Finance and Premises Committee - this meets at least four times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting. It also receives reports from the Director of Finance and internal auditors and drafts the annual budget. The Trust Board has overall responsibility for outcomes and standards as well ensuring compliance with policies, including Safeguarding.
- Performance and Standards Committee – this monitors student outcomes, the quality of teaching and learning and self evaluation processes.
- HR Committee, incorporating the pay committee for teaching staff – this approves pay progression, monitors HR policies and staff attendance and compliance with workload issues such as zero cover provisions. It also monitors health and safety and receives reports from the LGBs
- Audit, Health and Safety Committee - its purpose is to assist with the management and identification of risk, and the sound management and control of the Trust's finances and other resource

Local Governing Bodies – each school has a Governing Body which is responsible for the quality of education in the school, monitors the budget and policies, including health and safety and safeguarding and the appraisal process. Local Governing Bodies include parental and staff representatives and have a key responsibility to liaise and work with their community to ensure the best education for children in their school.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Academy Trust and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Executive Principal, Headteacher and Clerk to the Trustees, to approve the Improvement Plan and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the MLT by the use of budgets and other performance data, and making major decisions about the ethos and direction of the Minerva Learning Trust, capital expenditure and staff appointments.

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Minerva Learning Trust to the Executive Principal and to the Headteacher in each school.

The Leadership Group of the Minerva Learning Trust comprises the Executive Principal and the Headteachers of each school and the Finance Director. This meets every three weeks and reviews policies, sets targets and draws up Improvement Plans. It also monitors expenditure across the Minerva Learning Trust and within schools.

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In each school the Headteacher is responsible for the appointment of staff, through appointment panels which normally includes a Governor or Trustee. The Executive Principal and the Trust Board is responsible for Headteacher appointments.

The Executive Principal is the Accounting Officer.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

National Pay award – the Finance Committee consider the STRB recommendations and also the recommendations by Dorset County Council. They consider issues such as recruitment and retention and local market pressures and make recommendations to the Trust Board. The Trust Board approves pay awards.

Pay progression – each LGB oversees the processes for appraisal and pay progression within their school. Their pay committee meets annually to discuss the Head's recommendations on pay progression. The Executive Principal attends all LGB pay progression meetings to ensure consistency of judgements. The recommendations are taken to the HR and H&S committee which has delegated powers to agree pay progression. They then report to the Trust Board.

Pay Progression of Heads and leadership group – the Heads make recommendations on leadership pay to the Governors Headteachers and Leadership Appraisal and Pay Review committee. The Governors Appraisal and Pay Review committee manage the appraisal of the Headteacher advised by the Executive Principal. Where pay progression is to be awarded they will make a recommendation to the HR committee for approval. The HR committee will report to the Trust Board. The pay progression of the Executive Principal is determined by a committee of the Trust Board.

All Trustees give their time freely and no Trustee received remuneration in the year. When Trustees undertake training or attend meetings then travelling expenses are reimbursed.

Support Staff pay continues to follow the guidelines set out by Dorset County Council in job evaluation and increments are awarded after review.

Details of Trustees' expenses are disclosed in the notes to the accounts.

Connected Organisations, including Related Party Relationships

The Minerva Learning Trust is not a sponsored academy. It does not belong to any other federation or have commercial links with any other companies.

The Minerva Learning Trust works with community groups such as the Town Council, for example on the HOME project (St Mary's) and with the Rotary Club and Bridport Lions. All the schools are part of the Jurassic Coast Teaching Schools Alliance. The Sir John Colfox Academy works in partnership with Beaminster School and Yeovil College to provide a wider range of courses and opportunities post 16.

Burton Bradstock School and St Mary's School continue to work closely with the Diocese of Salisbury. Burton Bradstock Primary School and St Mary's Primary School have Parent Teacher Associations which have charitable status.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the MLT is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing each school, offering a broad range of curriculum for pupils of different abilities, with a strong emphasis on inclusion and collaboration.

The aims of the MLT during the period ended 31 August 2017 are summarised below:

- to ensure all students are safe and that their wellbeing is nurtured.
- to continue to raise the standard of educational attainment and achievement of all pupils.
- to provide a broad and balanced curriculum, including extra curricular activities.

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**TRUSTEES' REPORT (continued)
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- to develop students as more effective learners.
- to develop the use of the outdoor environment so that it enables students to achieve their full potential.
- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care.
- to improve the effectiveness of the MLT by keeping the curriculum and organisational structure under continual review.
- to maximise the number of students who achieve appropriate outcomes at all levels.
- to develop skills and attributes which will ensure students are prepared for life in modern Britain.
- to preserve and develop the religious character of the Church of England schools (Burton Bradstock and St Mary's) in accordance with the principles of the Church of England
- to provide value for money for the funds expended.
- to develop greater coherence, clarity and effectiveness in school systems.
- to comply with all appropriate statutory and curriculum requirements.
- to develop the MLT's capacity to manage change, and
- to conduct the MLT's business in accordance with the highest standards of integrity, probity and openness.

The Minerva Learning Trust aim to achieve the best for, and from, each child. It intends to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. The MLT is a community in which children, staff and parents should be part of a happy, safe and caring environment.

Objectives, Strategies and Activities

Key priorities for the year were contained in the Improvement Plans for each school. Areas of focus identified for 2016-17 included:

- Implementing the curriculum reforms at GCSE and A level
- Developing a high performing curriculum at Key Stage 3
- Raising standards and improving outcomes for all students but particularly disadvantaged pupils
- Ensuring high quality teaching and learning
- Developing the use of the outdoor environment to support learning

Key activities and targets were identified in each school and were influenced by the significant challenges and opportunities arising from national changes in education policy and funding. The activities included the following:

- Raising Achievement at all Key Stages in line with new curriculum and assessment requirements and for all groups of students
- Improving the performance of disadvantaged students.
- Embedding the reforms at GCSE and A level
- Developing character education through the Edge programme
- Embedding mastery in mathematics
- Developing and improving governance

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy Trust's aims and objectives and in planning its future activities.

The Minerva Learning Trust aims to advance for the public benefit, education in Bridport and the surrounding area. In particular, maintaining, managing and developing schools, offering a broad and balanced curriculum.

The Multi Academy Trust has a duty to support other schools. Two of the Headteachers support other schools as Self Evaluation Partners while a further Headteacher gave support to two other schools on a less formal basis. The Deputy Heads in two of the primary schools were also operating as Subject Leaders in Education (SLEs)

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

through the Jurassic Coast Teaching Schools Alliance and supporting schools in key areas. One primary teacher is a moderator for writing in Dorset. The Head of English at the Sir John Colfox School is an SLE and the Head of History is on the national PIXL board for the development of the subject. A member of staff in the secondary school is seconded to PIXL to develop character education as an Edge Ambassador. The Headteacher at the Sir John Colfox Academy and the Executive Principal are Ofsted Inspectors. The Executive Principal and Trustees have supported three other schools during their conversion process and one Trustee is contracted by the Diocese of Salisbury to deliver training to Governors on the conversion process.

STRATEGIC REPORT

Achievements and Performance

Outcomes in the Primary Schools

At EYFS the performance of the primary schools was below the national average in terms of the % reaching a Good Level of Development across the subjects but this was in line with the intake as assessed in the autumn term which in all schools was below the national.

All schools performed well at Phonics –St Marys was broadly in line with national averages which was good progress for the year group. At Burton Bradstock and BPS they were significantly above the national and this represented three years of rapid improvement. Phonics is a success story in all three primaries.

At KS1 the results at St Mary's in all subjects was outstanding. At Burton Bradstock there was a significant improvement in Mathematics and the other subjects remained strong although this was a very small cohort so statistics are less reliable. At BPS there was improvement in all areas and they are broadly in line with national averages as would have been expected given the prior attainment of the cohort. Disadvantaged students performed well at KS1 and there has been rapid and significant improvement at both Phonics and KS1 for our disadvantaged pupils.

At KS2 results were well above the Dorset averages for both attainment and progress. In terms of attainment all schools were in line with or above national averages for both attainment and progress except for Mathematics at Burton Bradstock. The attainment in each subject was strong and in BPS the % reaching greater depth was significantly above the national in all areas except for Maths. However, the combined attainment scores for Reading, Writing and Maths in all three primaries were below the national and this is a key priority for next year. The performance of disadvantaged pupils improved but the difference between them and non disadvantaged did not diminish quite as much as it has at KS1.

On the whole SEND pupils performed well at both KS1 and KS2 except for in a few areas.

Outcomes at secondary level

This was the first year of the new reformed GCSE's in English and Maths and this has been a challenge for secondary schools as the introduction of these new exams has not been smooth and information on the format of the exams was very delayed.

In terms of attainment the Sir John Colfox Academy was above the national average and did particularly well at the A*/A (7-9 in new grades) with 25% of grades in this category. There was a 10% improvement in Maths results at 4+ (equivalent to grade C+) but marking in English was a concern – over half of the papers sent for a remark were moved up at least 1 grade. In terms of progress scores these are in line with the national average although the percentage achieving the EBACC was well above (29% against a national average of 19.5% at grade 5+).

Disadvantaged students did not perform as well as hoped. The difference between their results and non disadvantaged has diminished. Interestingly SEND students performed exceptionally well and were well above national averages in terms of both attainment and progress. Disadvantaged pupils with SEND also did better.

Sixth Form results were outstanding with 81% A*-C and 58% A*-B. These were the best results the school has ever had at this level with an average grade of B- (national is C). This was also the first year that we had results for students in the Sixth Form doing vocational courses as part of the Yeovil partnership. These results were also

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outstanding with the average grade being distinction which is equivalent to grade A. This partnership was a key priority for the school and allows them to offer a pathway post 16 which is more inclusive and varied. Students can access College courses with reliable and less expensive transport while retaining a link with their home school. This is very attractive to students and has resulted in more young people staying in education and following appropriate courses.

Disadvantaged pupils in the Sixth Form outperformed those in their year group who were not disadvantaged and this was an exceptionally pleasing result.

All students who applied to university, bar one, are now on courses of their choice.

All schools are judged to still be delivering effective provision and a good quality of education.

Awards and successes achieved by the Schools

The schools achieved recognition in a number of areas in 2016-17.

Burton Bradstock and BPS achieved the School Sports Award (Silver) for another year and. St Mary's were awarded bronze and are working towards their silver.

BPS and St Mary's both achieved Eco Awards and have maintained their Green Flag.

The Education Minister Nick Gibb wrote to congratulate The Sir John Colfox for their continuing high performance in Ebacc subjects. St Mary's Primary school has been judged category 1 by the Local Authority which means they deliver a high standard of education and also offer support to other schools.

Burton Bradstock School was judged to be Good in their SIAMS inspection.

The Sir John Colfox Academy is a centre of excellence in the South West for the Edge and our first two students have achieved the Graduate Award. Edge ambassadors spoke to over 2,000 senior leaders in schools at the Pixl National conference about the Edge and two sixth form students have helped the Edge work on their framework for the Masters level. The Sir John Colfox Academy also entered their first team into the National Debating competition run by Pixl. They also introduced a new Junior Prize giving event.

There were many sporting successes – too many to mention – at both local and national level but The Sir John Colfox Academy were County Cup winners in two age groups in cricket, were area winners in all age groups in Cross Country and also County winners in 3 age groups. Four students represented Dorset in County teams at the national championships in Athletics, Cross Country and Swimming.

The schools are proud of their strong tradition in art, music and drama and continued to develop this area including organising a Celebration of the Arts event at Freshwater which included more than 250 children from all the schools in the Minerva Learning Trust.

During the year, the MLT's charity fundraising activities raised almost £13,000 for charity.

Burton Bradstock raised £988 BPS £2,255 St Mary's £1,393 and the Sir John Colfox Academy raised over £7,500.

The charities who benefitted included:

Save the Children

Children in Need

Weldmar Hospice

The Poppy Appeal

Macmillan Cancer

Julia's House Hospice

Red Nose Day

Sport Relief

NSPCC

Race for Life

Ronald Macdonald House, Southampton

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Families of Ocean Ward, Southampton
Hooke Court in Malawi

At the Sir John Colfox Academy Hinomaru House raised money to buy a defibrillator and £500 was raised to buy specialist equipment for a local family with strong connections to the school whose baby was born with cerebral palsy.

Sixth Form Students at the Sir John Colfox Academy were again involved in community support projects through Camps International in Ecuador

Schools also made food donations to Cupboard Love, a Bridport charity.

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention - the amount of carry forward is unrestricted. In period under review, £52,268 was carried forward representing less 1% of GAG.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for 2017 were 1,502, a decrease of 8 over 2016.

Another key financial performance indicator is staffing costs as a percentage of GAG. For 2017 this was 86.6%, compared to 72.4% in 2016.

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 Going concern policy.

FINANCIAL REVIEW

Financial Review

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2017 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2017, the Academy received total income of £8,852,987 and incurred total expenditure of £9,638,319. The excess of expenditure over income for the year was £785,330.

At 31 August 2017 the net book value of fixed assets was £7,090,999 and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 23 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Procedures Policy which lays out the framework for financial management, including financial responsibilities of the Board, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included the Pay Policy and the Trustees' and Governors' Expenses Policy.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

Reserves Policy

The Trustees review the reserve levels of the Academy Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy Trust, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of free reserves should be approximately £500,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance [alternative reasons might be relevant eg fall in pupil numbers resulting in losing a class but not wanting to lose a teacher, a rise in pupil numbers meaning not enough funding to teach the pupils etc]. Total reserves of the academy amount to £4,703,261, although £4,187,982 of this is invested in fixed assets or represents non GAG restricted funds. The remaining £515,279 (representing £463,011 unrestricted funds and £52,268 unspent GAG) is the balance that the Trustees monitor in accordance with the Board's reserves policy. This represents 1 month of normal recurring expenditure.

The Trustees have reviewed the future plans of the Academy and have set designated reserves as follows:

- £23,176 as a short term loan to assist with Burton Bradstock School's deficit recovery plan.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

Investment Policy

Due to the nature and timing of receipt of funding, the Academy Trust may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

Principal Risks And Uncertainties

The Board of Trustees has reviewed the major 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 principal risks and uncertainties facing the Academy Trust are as follows:

Financial - the Academy has considerable reliance on continued Government funding through the EFA. In the last year the majority of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is 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.

The Local Authority provide funding from the High Needs Block for SEND students. However, they currently have a £5.9 million deficit on this Block so have reduced top up funding by around 50% and the primary schools have lost significant amounts of tipping grant funding. This has put all budgets under pressure and it is now not possible to employ the number of TAs previously employed for 1:1 support. The LA may also take 0.5% of the central funding from the Schools Block to subsidise the High Needs Block and this will reduce school funding at a time the National Audit Office has made it clear that schools have a sustained a cut of 8% in real terms over the last few years. Funding in all schools is a major issue and the greatest risk facing the Trust.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.

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Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing - the success of the Academy is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - The Academy has appointed an internal audit to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

The Academy has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Academy. The register and plan are regularly reviewed in light of any new information and formally reviewed annually.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 23 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

PLANS FOR FUTURE PERIODS

The Minerva Learning Trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. It will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The MLT will continue to work with partner schools to improve the educational opportunities for students in the wider community.

Full details of the plans for the future are given in the MLT Improvement Plan and in the individual school plans, which are available on our website or from the Clerk to the Trustees.

The MLT plans to:

- Improve the teaching of Mathematics by embedding mastery techniques.
- Reduce the barriers which prevent disadvantaged students making similar progress to others in their year group.
- Continue to develop the quality of writing in all elements of the curriculum.
- Initiate more action research projects so that plans to improve are solidly based on evidence.
- Ensure students have access to a broad and engaging curriculum and are extended and enriched through cross phase projects and after school activities.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy Trust and its Trustees do not act as the Custodian Trustees of any other Charity.

EMPLOYEE INVOLVEMENT AND EMPLOYMENT OF THE DISABLED

The Minerva Learning Trust continues to ensure that appropriate standards of recruitment and retention are approached in a fair, consistent, equitable, transparent manner, with due regard for Equal Opportunities.

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TRUSTEES INDEMNITIES

There were no third party indemnity provisions made during the year or at the date of approval of the Trustees' report.

EMPLOYEE CONSULTATION

A new consultative group of staff including Unions and volunteers has been established made up of staff at all levels from all schools. There is also a separate Staff Wellbeing Group who meet termly to consider workload and relevant issues and report to the Leadership group of Heads.

AUDITORS

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' Report, incorporating a strategic report, approved by order of the Board of Trustees, as company directors, on and signed on the board's behalf by:

C Bath
Chair of Trustees

DRAFT

**THE MINERVA LEARNING TRUST (DORSET)
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that The Minerva Learning Trust (Dorset) 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 Executive 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 The Minerva Learning Trust (Dorset) 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 6 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
A Evans	3	6
A Ledgard	5	6
E M Stones	5	6
C Bath, Chairman	6	6
D Jenkins	5	6
K Taylor, Executive Principal	6	6
D Powell, Vice Chairman	6	6
B Shelley	5	6
J Piper	6	6
A Moss	5	6
K Peraux	5	6
S Brown	5	6
A Ragbourne	6	6

The Sir John Colfox Academy Board of Trustees was reconstituted on the 1st April 2016 and was renamed The Minerva Learning Trust. Six of the former Trustees resigned and six new appointments were made.

A skills audit was done in the summer of 2017 with no issues noted.

A workshop of chairs of Local Governing Bodies and Trustees has met regularly throughout the year.

Following the Annual General Meeting a workshop involving Members, Trustees and Local Governors reviewed the effectiveness of governance within the Minerva Learning Trust.

A review of the governance of the Trust was carried out in July 2017 by the South West Audit Partnership (SWAP). The Audit opinion was as follows:

Most of the areas reviewed were found to be adequately controlled. Generally risks are well managed but some systems require the introduction of further internal controls such as an annual review of the Financial Procedures Policy and Scheme of Delegation and the introduction of a Fraud and Corruption Policy.

The Finance and Premises Committee is a sub-committee of the main Board of Trustees. Its purpose is to consider and monitor regularly the MLT's short term and long term revenue and capital budget and financial planning to ensure the MLT's long term sustainability and report to the Board. The Finance and Premises Committee formally met 6 times in the period 1 September 2016 to 31 August 2017.

Attendance at meetings in the year was as follows:

**THE MINERVA LEARNING TRUST (DORSET)
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

Trustee	Meetings attended	Out of a possible
D Jenkins	4	6
K Peraux	6	6
A Ragbourne	6	6
E M Stones	6	6
K Taylor, Executive Principal	5	6

The Audit, Health and Safety Committee is a sub-committee of the main Board of Trustees. Its purpose is to assist with the management and identification of risk, and the sound management and control of the Trust's finances and other resources. The responsibilities of the Audit, Health and Safety Committee are:

- Recommend to the Members the appointment, re-appointment or removal of the external auditors and report to the EFA;
- Review and consider the auditor's management letter in order to ensure it is based on a good understanding of the Academies business and to establish whether any recommendations have been acted upon;
- Review the findings of the external auditors and recommend to the Trust Board an action plan arising from it;
- Ensure that the audited accounts are filed with Companies House;
- Ensure that suitable accounting records are maintained and to provide publicly accessible accounts in line with the Statement of Recommended Practice (SORP) for Charities;
- Ensure that the MLT's accounts are published on the web site and are available to any one that requests a copy;
- Identify the risks to internal financial control across the Trust and agree a programme of work that will address these risks, inform the statement of internal control and, so far as is possible, provide assurance to the external auditors;
- Ensure there is a continuous and sufficient review of the risks. It must agree a programme of work that will address the risks identified;
- Drive the process for independent checking of financial controls, systems, transactions and contracts. It should ensure that arrangements for protecting the Trust's assets are in place and recommend the appointment, re-appointment or removal of Internal Auditors;
- Advise the Board on the minimum and optimum level of internal and external audit arrangements;
- Ensure regular audits cover the following areas: legal, risk, financial (including statutory annual audits, VAT, PAYE), health and safety, investments and insurance, and to contribute to these reviews;
- Monitor responsible officer/internal audit reviews and to advise the board of Trustees accordingly. Investigate on behalf of the board any financial or administrative matter which may put the Trust at risk;
- Examine reports on special investigations and advise the board of Trustees accordingly;
- Consider the appropriateness of executive action following responsible officer/internal audit reviews and advise senior management on any additional or alternative steps to be taken;
- Ensure there is coordination between Accounting Officer, Finance Director, internal audit, external audit and any other review bodies that have been set up;
- Encourage a culture within the Trust whereby each individual feels that he or she has a part to play in guarding the probity of the Trust, and is able to take any concerns or worries to an appropriate member of the management team or in exceptional circumstances directly to the chair of the audit committee or Chair of the Trust Board;
- Monitor health and safety compliance on all sites.

The Audit, Health and Safety Committee formally met 3 times in the period 1 September 2016 to 31 August 2017.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
S Brown	1	3
A Evans	2	3
A Moss	3	3
K Taylor, Executive Principal	3	3

GOVERNANCE STATEMENT (continued)

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Executive 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 Academy 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:

- Robust financial governance and budget management.
- Value for money purchasing.
- Reviewing controls and managing risk.
- Considering allocation/targeting/use of resources.
- Challenging proposals and examining their effectiveness and efficiency.
- Deploying staff effectively.
- Reviewing quality of curriculum provision and quality of teaching.
- Reviewing quality of children's learning to enable children to achieve nationally expected progress.
- Outlining procedures for accepting best value quotes, noting that this is not necessarily the cheapest quote.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of 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 The Minerva Learning Trust (Dorset) for the year 1 September 2016 to 31 August 2017 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 ongoing process for identifying, evaluating and managing the Academy Trust's significant risks, that has been in place for the year 1 September 2016 to 31 August 2017 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 of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint

**THE MINERVA LEARNING TRUST (DORSET)
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

South West Audit Partnership as 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. In particular the checks carried out in the current period included:

- To provide assurance over the Academy's internal control framework in relation to:
 - Governance
 - Purchases and Payments

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

In July 2017 South West Audit Partnership carried out a review of governance, purchases and payments. This provided assurance that adequate controls are in place across the MLT. They found that most areas reviewed were adequately controlled and generally risks were well managed.

A plan has been agreed and is in place to ensure that all action points highlighted by South West Audit Partnership are addressed as soon as possible.

REVIEW OF EFFECTIVENESS

As Accounting Officer, the Executive 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 auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on

and signed on their behalf, by:

C Bath
Chair of Trustees

K Taylor
Accounting Officer

**THE MINERVA LEARNING TRUST (DORSET)
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Minerva Learning Trust (Dorset) I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2016.

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.

K Taylor
Accounting Officer

Date:

DRAFT

**THE MINERVA LEARNING TRUST (DORSET)
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2017**

The Trustees (who act as governors of The Minerva Learning Trust (Dorset) and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Strategic Report, the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees and signed on its behalf by:

C Bath
Chair of Trustees

Date:

**THE MINERVA LEARNING TRUST (DORSET)
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
MINERVA LEARNING TRUST (DORSET)**

OPINION

We have audited the financial statements of The Minerva Learning Trust (Dorset) for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

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

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2017 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

BASIS OF 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

OTHER INFORMATION

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

**THE MINERVA LEARNING TRUST (DORSET)
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
MINERVA LEARNING TRUST (DORSET)**

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report (incorporating the Strategic Report and the Directors' Report) for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remunerations specified by law 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 (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy 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 Academy Trust's or to cease operations, or have no realistic alternative but to do so.

**THE MINERVA LEARNING TRUST (DORSET)
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
MINERVA LEARNING TRUST (DORSET)**

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Tim Borton FCA DChA (Senior Statutory Auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
2nd Floor Stratus House
Emperor Way
Exeter Business Park
Exeter
EX1 3QS
Date:

DRAFT

**THE MINERVA LEARNING TRUST (DORSET)
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THE
MINERVA LEARNING TRUST (DORSET) AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 7 May 2014 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Minerva Learning Trust (Dorset) during the year 1 September 2016 to 31 August 2017 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 The Minerva Learning Trust (Dorset) and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Minerva Learning Trust (Dorset) and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Minerva Learning Trust (Dorset) and the ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF THE MINERVA LEARNING TRUST (DORSET)'S ACCOUNTING
OFFICER AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of The Minerva Learning Trust (Dorset)'s funding agreement with the Secretary of State for Education dated 19 March 2015, and the Academies Financial Handbook extant from 1 September 2016, 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 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 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 2016 to 2017 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the Trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and noncompliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**THE MINERVA LEARNING TRUST (DORSET)
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THE
MINERVA LEARNING TRUST (DORSET) AND THE EDUCATION AND SKILLS FUNDING AGENCY
(continued)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Tim Borton FCA DChA (Reporting Accountant)

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
2nd Floor Stratus House
Emperor Way
Exeter Business Park
Exeter
EX1 3QS

Date:

DRAFT

**THE MINERVA LEARNING TRUST (DORSET)
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2017**

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	As restated Total funds 2016 £
INCOME FROM:						
Donations & capital grants:						
Transfer from Local Authority on conversion	2	-	-	-	-	6,668,918
Other donations and capital grants	2	10,330	157,440	38,350	206,120	128,535
Charitable activities	3	324,132	8,294,759	-	8,618,891	6,679,827
Other trading activities	4	27,225	-	-	27,225	9,470
Investments	5	751	-	-	751	850
TOTAL INCOME		362,438	8,452,199	38,350	8,852,987	13,487,600
EXPENDITURE ON:						
Charitable activities		570,844	8,878,822	188,651	9,638,317	7,061,763
TOTAL EXPENDITURE	6	570,844	8,878,822	188,651	9,638,317	7,061,763
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		(208,406)	(426,623)	(150,301)	(785,330)	6,425,837
Actuarial gains/(losses) on defined benefit pension schemes	23	-	388,000	-	388,000	(1,343,000)
NET MOVEMENT IN FUNDS		(208,406)	(38,623)	(150,301)	(397,330)	5,082,837
RECONCILIATION OF FUNDS:						
Total funds brought forward		692,111	(2,857,109)	7,265,589	5,100,591	17,754
TOTAL FUNDS CARRIED FORWARD		483,705	(2,895,732)	7,115,288	4,703,261	5,100,591

The notes on pages 27 to 51 form part of these financial statements.

THE MINERVA LEARNING TRUST (DORSET)
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 08561222

BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£	2017 £	£	As restated 2016 £
FIXED ASSETS					
Tangible assets	14		7,090,099		7,268,519
CURRENT ASSETS					
Debtors	15	133,201		379,117	
Cash at bank and in hand		1,047,319		954,614	
			<u>1,180,520</u>	<u>1,333,731</u>	
CREDITORS: amounts falling due within one year	16	(619,358)		(545,659)	
NET CURRENT ASSETS			<u>561,162</u>		<u>788,072</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>7,651,261</u>		<u>8,056,591</u>
Defined benefit pension scheme liability	23		(2,948,000)		(2,956,000)
NET ASSETS			<u><u>4,703,261</u></u>		<u><u>5,100,591</u></u>
FUNDS OF THE ACADEMY TRUST					
Restricted funds:					
General funds	19	52,268		98,891	
Fixed asset funds	19	7,115,288		7,265,589	
			<u>7,167,556</u>	<u>7,364,480</u>	
Restricted funds excluding pension liability					
Pension reserve		(2,948,000)		(2,956,000)	
			<u>4,219,556</u>	<u>4,408,480</u>	
Total restricted funds			<u>4,219,556</u>		<u>4,408,480</u>
Unrestricted funds	19		483,705		692,111
TOTAL FUNDS			<u><u>4,703,261</u></u>		<u><u>5,100,591</u></u>

The financial statements on pages 24 to 51 were approved by the Trustees, and authorised for issue, on and are signed on their behalf, by:

C Bath
Chair of Trustees

The notes on pages 27 to 51 form part of these financial statements.

**THE MINERVA LEARNING TRUST (DORSET)
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017**

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	21	80,470	(45,127)
Cash flows from investing activities:			
Interest received		751	850
Purchase of tangible fixed assets		(26,786)	(82,435)
Capital grants from DfE/ESFA		38,270	48,533
Cash transferred on conversion to an Academy Trust		-	383,918
Net cash provided by investing activities		12,235	350,866
Change in cash and cash equivalents in the year			
Cash and cash equivalents brought forward		954,614	648,875
Cash and cash equivalents carried forward	22	1,047,319	954,614

The notes on pages 27 to 51 form part of these financial statements.

**THE MINERVA LEARNING TRUST (DORSET)
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Minerva Learning Trust (Dorset) constitutes a public benefit entity as defined by FRS 102.

1.2 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the 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 financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

1.3 INCOME

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

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised when there is unconditional entitlement to the grant. Unspent amounts of capital grant are reflected in the balance 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.

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 receipt is probable and it can be measured reliably.

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

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the Academy Trust has provided the goods and services.

1.4 EXPENDITURE

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

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

All expenditure is inclusive of irrecoverable VAT.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

1.5 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £500 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities 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 these assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	-	50 - 125 years
Fixtures and fittings	-	20% Straight line
Computer equipment	-	33% Straight line

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

The Academy Trust has been granted use of the school buildings of Burton Bradstock Church of England School & Bridport St Mary's C of E Primary School from the Diocese of Salisbury under a Supplemental Agreement which grants the Academy Trust a license to occupy the land and buildings.

The Academy Trust's occupation for the period is recognisable as a notional donation (since it pays no actual rent) and a notional rental expense for its use of the premises. The value of the donation is the amount that the Academy Trust would otherwise have to pay to secure the premises for its operations.

1.6 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

1.7 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

1.8 LIABILITIES AND PROVISIONS

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

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 as detailed in note 15. Prepayments are not financial instruments.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments.

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

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 23, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

1. ACCOUNTING POLICIES (continued)

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

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

1.12 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 and include grants from the Department for Education.

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

1. ACCOUNTING POLICIES (continued)

1.13 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the 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 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

1.14 OPERATING LEASES

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

1.15 AGENCY ARRANGEMENTS

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent distributions to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The Academy Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at period end are disclosed in Note 28.

THE MINERVA LEARNING TRUST (DORSET)
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	As restated Total funds 2016 £
Transfer from Local Authority on conversion	-	-	-	-	6,668,918
Donations	10,330	157,440	80	167,850	80,002
Capital Grants	-	-	38,270	38,270	48,533
	<u>10,330</u>	<u>157,440</u>	<u>38,350</u>	<u>206,120</u>	<u>128,535</u>
	<u>10,330</u>	<u>157,440</u>	<u>38,350</u>	<u>206,120</u>	<u>6,797,453</u>
<i>Total 2016</i>	<u>398,320</u>	<u>(866,400)</u>	<u>7,265,533</u>	<u>6,797,453</u>	

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
DfE/ESFA grants				
General Annual Grant	-	7,524,147	7,524,147	5,957,391
Start up Grants	-	-	-	75,000
Other DfE/ESFA grants	-	491,276	491,276	336,669
	<u>-</u>	<u>8,015,423</u>	<u>8,015,423</u>	<u>6,369,060</u>
Other Government grants				
High Needs	-	272,670	272,670	95,955
Other government grants non capital	-	6,666	6,666	3,000
	<u>-</u>	<u>279,336</u>	<u>279,336</u>	<u>98,955</u>
Other funding				
Internal catering income	11,237	-	11,237	6,470
Sales to students	4,567	-	4,567	1,558
Other	308,328	-	308,328	203,784
	<u>324,132</u>	<u>-</u>	<u>324,132</u>	<u>211,812</u>
	<u>324,132</u>	<u>8,294,759</u>	<u>8,618,891</u>	<u>6,679,827</u>
<i>Total 2016</i>	<u>211,812</u>	<u>6,468,015</u>	<u>6,679,827</u>	

THE MINERVA LEARNING TRUST (DORSET)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Lettings	26,185	-	26,185	6,280
Consultancy	1,040	-	1,040	3,190
	<u>27,225</u>	<u>-</u>	<u>27,225</u>	<u>9,470</u>
<i>Total 2016</i>	<u>9,470</u>	<u>-</u>	<u>9,470</u>	

5. INVESTMENT INCOME

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Bank interest	751	-	751	850
	<u>850</u>	<u>-</u>	<u>850</u>	
<i>Total 2016</i>	<u>850</u>	<u>-</u>	<u>850</u>	

6. EXPENDITURE

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	As restated Total 2016 £
Education:					
Direct costs	5,893,085	130,220	850,849	6,874,154	4,743,186
Support costs	620,972	329,109	1,814,082	2,764,163	2,318,577
	<u>6,514,057</u>	<u>459,329</u>	<u>2,664,931</u>	<u>9,638,317</u>	<u>7,061,763</u>
<i>Total 2016</i>	<u>4,398,937</u>	<u>265,684</u>	<u>2,397,142</u>	<u>7,061,763</u>	

THE MINERVA LEARNING TRUST (DORSET)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

7. DIRECT COSTS

	Total 2017 £	As restated Total 2016 £
Pension finance cost	63,000	35,000
Educational supplies	297,265	272,748
Examination fees	61,353	74,575
Staff development	51,264	23,831
Other costs	233,062	223,218
Supply teachers	64,618	32,149
Technology costs	90,616	58,545
Wages and salaries	4,391,993	3,093,795
National insurance	408,465	261,521
Pension cost	1,028,009	578,101
Depreciation	184,509	89,703
	6,874,154	4,743,186
	4,743,186	
<i>Total 2016</i>	4,743,186	

8. SUPPORT COSTS

	Total 2017 £	As restated Total 2016 £
Recruitment and support	1,905	6,236
Maintenance of premises and equipment	72,500	57,235
Cleaning	15,308	3,215
Rent and rates	225,753	120,730
Energy costs	20,025	1,730
Insurance	37,224	17,416
Security and transport	4,805	3,258
Catering	111,280	67,479
Technology costs	86,697	73,870
Office overheads	51,788	27,841
Legal and professional	73,449	88,906
PFI agreement costs	1,402,375	1,363,044
Governance	19,385	44,443
Wages and salaries	518,180	366,457
National insurance	29,185	19,995
Pension cost	73,607	46,919
Depreciation	20,697	9,803
	2,764,163	2,318,577
	2,318,577	
<i>Total 2016</i>	2,318,577	

THE MINERVA LEARNING TRUST (DORSET)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

9. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017	As restated
	£	2016
		£
Depreciation of tangible fixed assets:		
- owned by the Academy Trust	205,206	99,506
Auditors' remuneration - audit	9,435	9,250
Auditors' remuneration - other services	5,735	2,315
Operating lease rentals	6,535	16,924
PFI costs	1,392,792	1,363,044
	<u>1,392,792</u>	<u>1,363,044</u>

THE MINERVA LEARNING TRUST (DORSET)
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

10. STAFF COSTS

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	4,910,173	3,458,252
Social security costs	437,650	281,516
Operating costs of defined benefit pension schemes	1,101,616	625,020
	<u>6,449,439</u>	<u>4,364,788</u>
Severance payments	-	2,000
Supply teacher costs	64,618	32,149
	<u><u>6,514,057</u></u>	<u><u>4,398,937</u></u>

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

	2017 No.	2016 No.
Teachers	118	54
Administration and support	176	90
Management	14	9
	<u>308</u>	<u>153</u>

Average headcount expressed as a full time equivalent:

	2017 No.	2016 No.
Teachers	71	48
Administration and support	78	52
Management	14	8
	<u>163</u>	<u>108</u>

The number of employees whose employee benefits (excluding employer's National Insurance contributions and employer pension costs) exceeded £60,000 was:

	2017 No.	2016 No.
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	1	1
In the band £90,001 - £100,000	1	1

Key Management Personnel

The key management personnel of the Academy Trust comprises the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer National Insurance contributions and employer pension contributions) received by key management personnel for their services to the Academy Trust was £489,065 (2016: £518,116).

THE MINERVA LEARNING TRUST (DORSET)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

10. STAFF COSTS (continued)

As staff Trustees are not remunerated in respect of their role as a Trustee, where staff Trustees do not form part of the key management personnel other than in their role as Trustee, their remuneration as set out in note 12 has not been included in the total benefits received by key management personnel above.

11. CENTRAL SERVICES

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

- Finance and administration
- Legal costs
- Human resources
- IT
- General support costs

The Academy Trust charges for these services on the following basis:

The central function charges for these services based on the specific cost savings made for each Academy by using the central function.

The actual amounts charged during the year were as follows:

	2017	2016
	£	£
The Sir John Colfox Academy	99,466	161,080
Burton Bradstock Church of England school	10,057	20,896
Bridport Primary School	35,954	49,144
Bridport St Mary's C of E Primary School	16,783	26,950
	<u>162,260</u>	<u>258,070</u>
Total		

12. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any benefits in kind (2016: £NIL).

During the year ended 31 August 2017, expenses totalling £340 (2016: £477) were reimbursed to 1 Trustee (2016: 1).

The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. Other Trustees did not receive any payments from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: K Taylor: Remuneration £90,000 - £95,000 (2016: £90,000 - £95,000), Employer's pension contributions £15,000 - £20,000 (2016: £10,000 - £15,000).

13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2017 was £1,572 (2016: £503).

THE MINERVA LEARNING TRUST (DORSET)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

14. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
COST				
At 1 September 2016 (as previously stated)	15,106,455	-	156,432	15,262,887
Prior year adjustment	(7,872,000)	-	-	(7,872,000)
At 1 September 2016 (as restated)	7,234,455	-	156,432	7,390,887
Additions	-	4,170	22,616	26,786
At 31 August 2017	7,234,455	4,170	179,048	7,417,673
DEPRECIATION				
At 1 September 2016 (as previously stated)	125,887	-	62,081	187,968
Prior year adjustment	(65,600)	-	-	(65,600)
At 1 September 2016 (as restated)	60,287	-	62,081	122,368
Charge for the year	144,689	834	59,683	205,206
At 31 August 2017	204,976	834	121,764	327,574
NET BOOK VALUE				
At 31 August 2017	7,029,479	3,336	57,284	7,090,099
At 31 August 2016 (as restated)	7,174,168	-	94,351	7,268,519

15. DEBTORS

	2017 £	2016 £
Trade debtors	13,958	5,397
VAT recoverable	32,352	232,354
Prepayments and accrued income	86,891	141,366
	<u>133,201</u>	<u>379,117</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade creditors	55,756	6,425
Other taxation and social security	105,743	100,234
Other creditors	99,626	94,014
Accruals and deferred income	358,233	344,986
	<u>619,358</u>	<u>545,659</u>

THE MINERVA LEARNING TRUST (DORSET)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (continued)

	2017	2016
	£	£
DEFERRED INCOME		
Deferred income at 1 September 2016	81,170	25,307
Resources deferred during the year	101,126	81,170
Amounts released from previous years	(81,170)	(25,307)
	<u>101,126</u>	<u>81,170</u>
Deferred income at 31 August 2017	<u>101,126</u>	<u>81,170</u>

At the balance sheet date the Academy Trust was holding funds received in advance for EFA infant free school meals income and rates relief relating to the 2017/18 year.

17. FINANCIAL INSTRUMENTS

	2017	2016
	£	£
Financial assets measured at amortised cost	1,116,932	1,055,242
	<u>1,116,932</u>	<u>1,055,242</u>
Financial liabilities measured at amortised cost	(507,632)	(467,489)
	<u>(507,632)</u>	<u>(467,489)</u>

Financial assets measured at amortised cost comprise cash at bank & in hand, trade debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.

**THE MINERVA LEARNING TRUST (DORSET)
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

18. PRIOR YEAR ADJUSTMENT

The Academy Trust has been granted use of school buildings from the Diocese of Salisbury under a Supplemental Agreement that does not require rent to be paid. The agreement includes a two year notice period. In the previous period, the value of the land and buildings was recognised in the accounts on the basis that the Academy Trust was compliant with the Supplemental Agreement, there was no indication that the notice clause would be invoked and the risks and rewards of ownerships of the property had transferred to the Academy Trust.

Following the revised guidance in the 'Academies Accounts Direction 2016 to 2017', the Trustees have now concluded that the value of land and buildings should not be recognised in the accounts. This is on the basis that the Academy Trust has been granted a licence to occupy only under the Supplemental Agreement.

The comparative Balance Sheet and Statement Of Financial Activities have been restated to not include the land and buildings, as if they had never been included at the inception of the Supplemental Agreement. The financial impact of this change of policy is to have decreased the net book value of the land and buildings included in the Balance Sheet by £7,806,400 as at 31 August 2016 and to decrease depreciation in the Statement Of Financial Activities by £65,600 as at 31 August 2016.

Under the updated guidance, the Academy Trust's occupation for the period is recognisable as a notional donation (since it pays no actual rent) and a notional rental expense for its use of the premises. The value of the donation is the amount that the Academy Trust would otherwise have to pay to secure the premises for its operations. As a result £65,600 has been recognised in the Statement Of Financial Activities for the period ending 31 August 2016 as both the notional donation and notional rent.

THE MINERVA LEARNING TRUST (DORSET)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

19. STATEMENT OF FUNDS

	Brought forward £	Income £	Expenditure £	Gains/ (Losses) £	Carried forward £
DESIGNATED FUNDS					
ICT sinking fund	79,294	-	-	-	79,294
GENERAL FUNDS					
Unrestricted funds	575,568	362,438	(554,289)	-	383,717
Unrestricted fixed assets	37,249	-	(16,555)	-	20,694
	<u>612,817</u>	<u>362,438</u>	<u>(570,844)</u>	<u>-</u>	<u>404,411</u>
Total Unrestricted funds	<u>692,111</u>	<u>362,438</u>	<u>(570,844)</u>	<u>-</u>	<u>483,705</u>
RESTRICTED FUNDS					
General Annual Grant (GAG)	98,891	7,524,147	(7,570,770)	-	52,268
High Needs	-	272,670	(272,670)	-	-
Pupil Premium	-	326,496	(326,496)	-	-
Other DfE/EFA grants	-	164,780	(164,780)	-	-
Other restricted funds	-	6,666	(6,666)	-	-
Diocesan property rental	-	157,440	(157,440)	-	-
Pension reserve	(2,956,000)	-	(380,000)	388,000	(2,948,000)
	<u>(2,857,109)</u>	<u>8,452,199</u>	<u>(8,878,822)</u>	<u>388,000</u>	<u>(2,895,732)</u>
RESTRICTED FIXED ASSET FUNDS					
Fixed assets transferred on conversion	7,202,472	-	(174,823)	-	7,027,649
DfE/ESFA Capital Grants	63,117	38,350	(13,828)	-	87,639
	<u>7,265,589</u>	<u>38,350</u>	<u>(188,651)</u>	<u>-</u>	<u>7,115,288</u>
Total restricted funds	<u>4,408,480</u>	<u>8,490,549</u>	<u>(9,067,473)</u>	<u>388,000</u>	<u>4,219,556</u>
Total of funds	<u><u>5,100,591</u></u>	<u><u>8,852,987</u></u>	<u><u>(9,638,317)</u></u>	<u><u>388,000</u></u>	<u><u>4,703,261</u></u>

THE MINERVA LEARNING TRUST (DORSET)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

19. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried forward £
DESIGNATED FUNDS						
ICT sinking fund	-	-	-	79,294	-	79,294
	<u>-</u>	<u>-</u>	<u>-</u>	<u>79,294</u>	<u>-</u>	<u>79,294</u>
GENERAL FUNDS						
Unrestricted funds	211,598	620,452	(256,482)	-	-	575,568
Unrestricted fixed assets	-	-	-	37,249	-	37,249
	<u>211,598</u>	<u>620,452</u>	<u>(256,482)</u>	<u>37,249</u>	<u>-</u>	<u>612,817</u>
Total Unrestricted funds	<u>211,598</u>	<u>620,452</u>	<u>(256,482)</u>	<u>116,543</u>	<u>-</u>	<u>692,111</u>
RESTRICTED FUNDS						
General Annual Grant (GAG)	83,648	5,957,391	(6,000,551)	58,403	-	98,891
High Needs	-	95,955	(95,955)	-	-	-
Pupil Premium	10,000	206,727	(216,727)	-	-	-
Start up grant	-	75,000	(75,000)	-	-	-
Other DfE/ESFA grants	-	122,942	(122,942)	-	-	-
Diocesan property rental	-	65,600	(65,600)	-	-	-
Pension reserve	(562,000)	(932,000)	(119,000)	-	(1,343,000)	(2,956,000)
	<u>(468,352)</u>	<u>5,591,615</u>	<u>(6,695,775)</u>	<u>58,403</u>	<u>(1,343,000)</u>	<u>(2,857,109)</u>
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	68,588	7,217,000	(83,116)	-	-	7,202,472
DfE/ESFA Capital Grants	18,558	48,533	(3,974)	-	-	63,117
ICT sinking fund	187,362	-	(12,416)	(174,946)	-	-
	<u>274,508</u>	<u>7,265,533</u>	<u>(99,506)</u>	<u>(174,946)</u>	<u>-</u>	<u>7,265,589</u>
Total restricted funds	<u>(193,844)</u>	<u>12,857,148</u>	<u>(6,795,281)</u>	<u>(116,543)</u>	<u>(1,343,000)</u>	<u>4,408,480</u>
Total of funds	<u>17,754</u>	<u>13,477,600</u>	<u>(7,051,763)</u>	<u>-</u>	<u>(1,343,000)</u>	<u>5,100,591</u>

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

19. STATEMENT OF FUNDS (continued)

RESTRICTED FUNDS

General annual Grant - Income from the ESFA which is to be used for the normal running costs of the Academy Trust, including education and support costs.

High needs - Funding received from the Local Authority to fund further support for students with additional needs.

Pupil Premium - Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy Trust to address the current underlying inequalities between those children and their wealthier peers.

Start-up grant - This represents one-off funding received from the ESFA to contribute to the cost of converting schools that joined the Trust to an Academy.

Other DfE/ESFA grants - This represents funding received from the ESFA for rates relief and infant free school meals.

Other restricted funds - Miscellaneous amounts which are to be used for educational purposes.

Pension reserve - This represents the Academy Trust's share of the assets and liabilities in the Local Government Pension Scheme.

RESTRICTED FIXED ASSET FUNDS

DfE/ESFA Capital Grants - These funds are received for the direct expenditure on fixed asset projects.

ICT sinking fund - This was transferred from the local authority on conversion and is to be used for the improvement and running of ICT. The transfer from the fund of £Nil (2016: £58,403) to General Annual Grant represents the amounts used from the fund for the general running of ICT. It has been clarified in these accounts that the ICT sinking fund represents funds designated by the Trustees for this purpose. Consequently, the unspent balance carried forward of £79,294 is shown within unrestricted designated funds and the net book value of fixed assets purchased with the fund of £20,694 is shown as unrestricted fixed assets within the unrestricted funds.

Fixed assets transferred on conversion - This represents the buildings and equipment donated to the School from the Local Authority on conversion to an Academy.

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 2017.

THE MINERVA LEARNING TRUST (DORSET)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

19. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2017 were allocated as follows:

	Total 2017 £	Total 2016 £
The Sir John Colfox Academy	234,332	380,955
Burton Bradstock Church of England school	19,871	18,902
Bridport Primary School	162,821	175,762
Bridport St Mary's C of E Primary School	92,977	132,445
Central	25,972	82,938
	<hr/>	<hr/>
Total before fixed asset fund and pension reserve	535,973	791,002
Restricted fixed asset fund	7,115,288	7,265,589
Pension reserve	(2,948,000)	(2,956,000)
	<hr/>	<hr/>
Total	4,703,261	5,100,591
	<hr/> <hr/>	<hr/> <hr/>

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciat- ion £	Total 2017 £	Total 2016 £
The Sir John Colfox Academy	3,029,288	262,459	530,708	1,614,246	5,436,701	5,222,278
Burton Bradstock Church of England school	334,530	46,826	22,332	86,936	490,624	200,175
Bridport Primary School	1,264,897	180,131	81,756	157,689	1,684,473	698,033
Bridport St Mary's C of E Primary School	817,028	94,665	78,898	223,258	1,213,849	403,346
Central	130,342	36,891	19,866	29,765	216,864	253,825
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	5,576,085	620,972	733,560	2,111,894	9,042,511	6,777,657
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

THE MINERVA LEARNING TRUST (DORSET)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	20,694	-	7,069,405	7,090,099
Current assets	463,011	671,626	45,883	1,180,520
Creditors due within one year	-	(619,358)	-	(619,358)
Pension scheme liability	-	(2,948,000)	-	(2,948,000)
	<u>483,705</u>	<u>(2,895,732)</u>	<u>7,115,288</u>	<u>4,703,261</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £
Tangible fixed assets	2,930	-	7,265,589	7,268,519
Current assets	689,181	644,550	-	1,333,731
Creditors due within one year	-	(545,659)	-	(545,659)
Provisions for liabilities and charges	-	(2,956,000)	-	(2,956,000)
	<u>692,111</u>	<u>(2,857,109)</u>	<u>7,265,589</u>	<u>5,100,591</u>

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

	2017 £	2016 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(785,330)	6,425,837
Adjustment for:		
Depreciation charges	205,206	99,506
Interest received	(751)	(850)
Decrease/(increase) in debtors	245,916	(225,321)
Increase in creditors	73,699	254,152
Capital grants from DfE and other capital income	(38,270)	(48,533)
Defined benefit pension scheme obligation inherited	-	932,000
Defined benefit pension scheme cost less contributions payable	317,000	84,000
Net (assets)/liabilities transferred on conversion to Academy Trust	-	35,000
Net (loss) on assets and liabilities from local authority on conversion	-	(7,600,918)
Defined benefit pension scheme finance cost	63,000	-
Net cash provided by/(used in) operating activities	<u>80,470</u>	<u>(45,127)</u>

**THE MINERVA LEARNING TRUST (DORSET)
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash at bank and in hand	<u>1,047,319</u>	<u>954,614</u>
	<u><u>1,047,319</u></u>	<u><u>954,614</u></u>

23. PENSION COMMITMENTS

The Academy Trust's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Dorset County Council. Both are Multi-Employer Defined Benefit Pension Schemes.

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

Contributions amounting to £95,223 were payable to the schemes at 31 August 2017 (2016: £92,212) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September

**THE MINERVA LEARNING TRUST (DORSET)
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**NOTES TO THE FINANCIAL STATEMENTS
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23. PENSION COMMITMENTS (continued)

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

The employer's pension costs paid to TPS in the period amounted to £556,893 (2016: £411,295).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £301,000 (2016: £173,000), of which employer's contributions totalled £229,000 (2016: £130,000) and employees' contributions totalled £72,000 (2016: £43,000). The agreed contribution rates for future years are 15.4% for employers and 5.5 - 8.5% for employees.

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

Principal actuarial assumptions:

	2017	2016
Discount rate for scheme liabilities	2.60 %	2.20 %
Rate of increase in salaries	4.20 %	3.80 %
Rate of increase for pensions in payment / inflation	2.70 %	2.30 %
Inflation assumption (CPI)	2.70 %	2.30 %

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

	2017	2016
Retiring today		
Males	23.9	22.9
Females	26.0	25.3
Retiring in 20 years		
Males	26.2	25.2
Females	28.3	27.7

Sensitivity analysis	At 31 August 2017	At 31 August 2016
	£	£
Discount rate +0.1%	132,000	126,000
Discount rate -0.1%	(135,000)	(130,000)
Mortality assumption - 1 year increase	(164,000)	(117,000)
Mortality assumption - 1 year decrease	158,000	114,000
CPI rate +0.1%	(105,000)	(105,000)
CPI rate -0.1%	102,000	101,000

THE MINERVA LEARNING TRUST (DORSET)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

23. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities and gilts	1,469,000	1,112,000
Debt instruments	243,000	207,000
Cash	57,000	17,000
Property and infrastructure	283,000	207,000
Other investments	93,000	77,000
	<hr/>	<hr/>
Total market value of assets	2,145,000	1,620,000
	<hr/> <hr/>	<hr/> <hr/>

The actual return on scheme assets was £249,000 (2016: £149,000).

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

	2017 £	2016 £
Current service cost	(546,000)	(214,000)
Interest income	38,000	35,000
Interest cost	(101,000)	(70,000)
	<hr/>	<hr/>
Total	(609,000)	(249,000)
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Movements in the present value of the defined benefit obligation were as follows:

	2017 £	2016 £
Opening defined benefit obligation	4,576,000	996,000
Transferred in on existing academies joining the trust	-	1,796,000
Current service cost	546,000	214,000
Interest cost	101,000	70,000
Employee contributions	72,000	43,000
Actuarial (gains)/losses	(174,000)	1,457,000
Benefits paid	(28,000)	-
	<hr/>	<hr/>
Closing defined benefit obligation	5,093,000	4,576,000
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**THE MINERVA LEARNING TRUST (DORSET)
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

23. PENSION COMMITMENTS (continued)

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

	2017 £	2016 £
Opening fair value of scheme assets	1,620,000	434,000
Transferred in on existing academies joining the trust	-	864,000
Interest income	39,000	35,000
Actuarial losses	214,000	114,000
Employer contributions	229,000	130,000
Employee contributions	72,000	43,000
Benefits paid	(28,000)	-
Administration expense	(1,000)	-
	<u>2,145,000</u>	<u>1,620,000</u>
Closing fair value of scheme assets	<u>2,145,000</u>	<u>1,620,000</u>

24. OPERATING LEASE COMMITMENTS

At 31 August 2017 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2017 £	2016 £
AMOUNTS PAYABLE:		
Within 1 year	1,406,646	1,369,316
Between 1 and 5 years	5,608,485	5,457,523
After more than 5 years	11,142,336	12,267,396
	<u>18,157,467</u>	<u>19,094,235</u>
Total	<u>18,157,467</u>	<u>19,094,235</u>

The Academy Trust has in place a School Agreement with Dorset County Council concerning a Private Financing Initiative (PFI) agreement dated 19 March 2015. The annual commitment for the Academy Trust is made up of fixed and variable costs depending on the level of activity for the year. The costs are adjusted annually based on the RPI percentage for the past year.

The annual commitment for the year ended 31 August 2017 of £1,392,792 included in the above is based on the amount due for the year ended 31 March 2018 without any inflationary adjustment. £242,904 of the commitment will be paid from General Annual Grant. The balance of £1,149,888 is covered by additional funding from the ESFA.

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/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £ 10 for the debts and liabilities contracted before he/she ceases to be a member.

**THE MINERVA LEARNING TRUST (DORSET)
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

26. GENERAL INFORMATION

The Minerva Learning Trust (Dorset) is a company limited by guarantee, incorporated in England and Wales. The registered office is shown on page 1.

27. RELATED PARTY TRANSACTIONS

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 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.

During the year, Paul Taylor, the spouse of Kay Taylor who is also a Trustee, was employed by Bridport Primary School as a Phase Leader for KS2. His appointment was made prior to Bridport Primary School joining the Academy Trust and he is paid at the relevant pay scale for his job role. He does not receive any preferential treatment as a result of his relationship with a Trustee.

28. AGENCY ARRANGEMENTS

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting year ending 31 August 2017 the Academy Trust received £13,244 and distributed £10,762 from the fund. An amount of £2,481 is included in other creditors relating to undistributed funds that is repayable to ESFA.