

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

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2018**

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

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**THE MINERVA LEARNING TRUST (DORSET)  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**Members**

R Kayes  
P Stone  
P Tompkins  
R Wales

**Trustees**

A Ledgard<sup>1,3</sup>  
E M Stones<sup>2,5</sup>  
C Bath, Chair<sup>1,2,3,4,5</sup>  
D Jenkins<sup>2</sup>  
K Taylor, Executive Principal<sup>1,2,3,4,5</sup>  
D Powell (resigned 19 September 2018)<sup>3,4</sup>  
J Piper<sup>3,5</sup>  
A Moss, Vice Chair<sup>1,3,4</sup>  
K Peraux<sup>1,2,4</sup>  
S Brown<sup>1</sup>  
A Ragbourne<sup>2,3,5</sup>  
M Young (appointed 26 March 2018)<sup>2,3</sup>  
P Stone (appointed 24 July 2018)

- 1 Human Resources & Health and Safety
- 2 Finance, Audit & Premises
- 3 Performance & Standards
- 4 Staffing Appeals
- 5 Staffing/Disciplinary

**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)**

**Accounting Officer** K Taylor

**Senior management team**  
K Taylor, Executive Principal  
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 2018**

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The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2018. 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, Dorset. Its academies have a combined pupil capacity of 1,600 and had a roll of 1,508 in the school census on 1 October 2017.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The Academy Trust opened as a Multi Academy Trust on April 2016 when the 3 primary schools joined the Sir John Colfox Trust. It 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.

**Trade union facility time**

**Relevant union officials**

Number of employees who were relevant union officials during the year	<b>2</b>
Full-time equivalent employee number	<b>0.2</b>

**Percentage of time spent on facility time**

Percentage of time	Number of employees
0%	-
1%-50%	<b>1</b>
51%-99%	-
100%	-

**Percentage of pay bill spent on facility time**

Total cost of facility time	<b>£ -</b>
Total pay bill	<b>£6,382,204</b>
Percentage of total pay bill spent on facility time	<b>- %</b>

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours	<b>12.5%</b>
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**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.

**THE MINERVA LEARNING TRUST (DORSET)  
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**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2018**

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**TRUSTEES**

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

A Steering Group was formed comprising the Chairs and Heads of the participating schools to construct a Memorandum of Understanding between the parties and to lead and organise the process of conversion to a multi academy trust.

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 3 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.

**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 more formal 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 five times a year. 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.

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**TRUSTEES' REPORT (continued)  
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There are 3 committees as follows;

- Finance, Audit and Premises Committee - this meets at least three 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 and Health and Safety 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

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 four weeks and reviews policies, sets targets and draws up Improvement Plans. It also monitors expenditure across the Minerva Learning Trust and within schools.

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 Trust Board considers 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.

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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 and H&S committee for approval. The HR and H&S 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 objective 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 2018 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.
- 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..



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**TRUSTEES' REPORT (continued)  
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At The Minerva Learning Trust we aim to achieve the best for, and from, each child. We intend 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 2017-18 included:

- Embedding a high performing curriculum at Key Stage 3
- Raising standards and improving outcomes for all students but particularly disadvantaged pupils.
- Embedding mastery techniques in the teaching of Mathematics
- 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, including the reduction in SEND funding from the LA. 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.
- Improving performance in mathematics, especially progress scores.
- Embedding the reforms at GCSE and A level
- Developing character education through the Edge programme
- 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.

As a Multi Academy Trust we have a duty to support other schools. Two of the Headteachers support other schools as Self Evaluation Partners. The Headteacher at the Sir John Colfox Academy and the Executive Principal have given leadership support to a local school deemed inadequate by Ofsted. The deputy head at St Mary's primary school is operating as SLEs through the Jurassic Coast Teaching Schools Alliance and supporting schools in Mathematics. One primary teacher is a moderator for writing in Dorset. A member of staff in the secondary school also works for 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 other schools during their application for academy status.

## **STRATEGIC REPORT**

### **Achievements and Performance**

#### Outcomes in the Primary Schools

At EYFS Bridport Primary School and Burton Bradstock were in line or above national averages. St Mary's was below but that reflected the intake and was in line with baseline testing in October.

In Phonics –St Marys was well above the national with a three year upward trend. Burton was also above national but BPS was below. This was in line with the prior attainment of the year group but staffing issues also impacted.

At KS1 the results in all schools were outstanding with many more pupils working at greater depth. On the whole Disadvantaged students performed well at KS1.

At KS2 results were above the National average for attainment in Bridport Primary School and St Mary's Primary School. In terms of progress St Mary's had a positive score in all subjects, Burton was above average in Reading and average in Writing and Maths and Bridport Primary School was average in all three subjects.. The performance of disadvantaged pupils improved in all schools apart from Bridport Primary School.

SEND results in all the primary school were very strong and well above the national for this group.

#### Outcomes at the Sir John Colfox Academy

In the first year of the new GCSE grading system the school has comfortably beaten the national average with 70% of all grades achieved being at the 'high grade' pass level with pass rates in the core subjects being 78% in English, 70% in Maths and 84% in Science – there was a 10% improvement for Science.

Disadvantaged students performed very well with the same level of 5+ at Basics (English and Maths) as non disadvantaged pupils.

SEND students again performed very well and this remains a strength of the school.

Results in the Sixth form were pleasing with nearly half of the grades achieved at the highest A\*/A at A Level or Distinction\*/Distinction level in Level 3 applied courses. A level results, particularly for more able students were very strong. Vocational results were outstanding yet again.

Disadvantaged pupils in the Sixth Form performed broadly in line with expectations in most subjects but their progress overall was less strong than non disadvantaged as they tended to have one subject where they underperformed.

95% of students who applied to university 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 MLT choir performed in a variety of events through the year – at Mindfest, the Food Fair and in Burton Bradstock village hall where they sung with First World War songs with local residents. There was also a "Minerva's Got Talent" performance at the Sir John Colfox Academy where each school had the winners of their own competition perform as well as school and MLT choirs.

Burton Bradstock achieved the Silver Sports Mark and 8 pupils obtained the Bronze Ambassador Sports Award.

Bridport Primary School won the local Rotary Youth Speaks competition. The school were finalists for West

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**TRUSTEES' REPORT (continued)  
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Dorset in Quad kids at Bryanston and pupils obtained Bronze Ambassador Awards.

St Mary's achieved the Gold Sports Award and their edible garden won the George Payne Memorial Cup at the Melpash Show. They also had success in interschool cricket and on the Colmers Hill run. They had 8 pupils awarded the Bronze Ambassador Sports Award.

The Sir John Colfox Academy were judged to be Good following a full section 5 inspection. The report highlighted the strengths of the leadership in the school and across the Trust. It said that "the Trust leaders provide effective challenge to school leaders. The school has gained from its links with the primaries in the trust, especially from academic transition between key stages 2 and 3" and described transition as "seamless".

The Sir John Colfox Academy achieved the Rights Respecting School Silver Award in the new UNICEF accreditation framework.

SJCA is a centre of excellence in the South West for the Edge and last year two 6th Form students became the first in the country to achieve the Masters level accreditation. In the new South West Pixl Edge Awards the Academy had the individual winning students in the Apprentice of the year and the Graduate of the Year.

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. In Duke of Edinburgh Awards 38 students achieved the Bronze Level.

The Arts Faculty enjoyed a very successful year and were filled by the BBC on Spotlight as part of their project linking human rights and art in conjunction with activities promoting human rights issues in Guantanamo Bay. The Global Rock Challenge team achieved 4 commendations for their performance at Bournemouth highlighting the effects of gambling and the school production of Legally Blonde was sold out.

The Rotary Youth Speaks teams were round 1 and 2 winners in the Intermediate and Senior Age groups and the Intermediate team progressed all the way to the National Final.

Money Raised for Charity

Total raised by the Sir John Colfox Academy was £4,722.62.

Beneficiaries include:

- Children in Need
- Save the Children
- Local Food bank
- Smile with Sidy
- Students funded towards accommodation for x-country national finals
- Students funded towards various trips

Total raised by primary schools - £2,346,63

Beneficiaries include:

- Children in Need Julia's House
- NSPCC
- Sport Relief
- Young Minds
- Wessex Cancer Trust
- Save the Children.

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

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**TRUSTEES' REPORT (continued)  
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**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, £11,129 was carried forward.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for 2017-2018 were 1,508. Numbers are stable but are rising in the Sir John Colfox Academy and falling at KS1 in the primary schools. This needs to be taken into account in future financial planning.

Another key financial performance indicator is staffing costs as a percentage of GAG. For 2018 this was 85.7%, compared to 86.6% in 2017.

**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 Accounting Policies.

**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 2018 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 2018, the Academy received total income of £8,750,420 (2017: £8,852,987) and incurred total expenditure of £8,955,681 (2017: £9,053,111) (excluding depreciation and pension adjustments). The excess of expenditure over income, again excluding depreciation and pension adjustments, was £205,261 (2017: £238,474).

At 31 August 2018 the net book value of fixed assets was £6,944,045 and movements in tangible fixed assets are shown in note 15 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 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 2018**

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**Reserves Policy**

The Trustees review the reserve levels of the Academy 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, 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. In 2017-18 we were unable to maintain this level of reserves due to unanticipated reductions in national and local funding (SEND). As a result the reserves policy will be reviewed in November 2018 at the Trust Board meeting. Total reserves of the academy amount to £4,502,048, although £4,230,732 of this is invested in fixed assets or represents non GAG restricted funds. The remaining £271,316 (representing £260,187 unrestricted funds and £11,129 unspent GAG) is the balance that the Trustees monitor in accordance with the Board's reserves policy. This represents approximately half a month's staff costs.

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

- £11,987 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 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 are as follows:

Financial - the Academy has considerable reliance on continued Government funding through the ESFA. 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 £6.1 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. NFF funding from the ESFA is being allocated by the LA using their Needs Led formula. This is less beneficial to the Trust schools. Originally this was for 2017-18 and 2018-19 but has been extended to 2019-20. The LA intends to move closer to the methodology of NFF over the three years but until 2020 their formulas will be used to distribute funds and reduce turbulence in the system.

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.

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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.

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.

## **FUNDRAISING**

Most Fundraising in the MLT has tended to be for charitable purposes. Direct fundraising for the schools is carried out by parents through the PFA. These funds are used for specified purposes as agreed by the LGB.

The MLT also receives sponsorship from local businesses. This is again for specified purposes such as the Trust Music Strategy or for prize-giving rewards and is only spent in these areas and the sponsors are kept informed of how the money is spent.

The MLT has a policy of not using third party fundraisers. All funds raised are included in accounts and shown as income and expenditure under the appropriate headings.

## **PLANS FOR FUTURE PERIODS**

The Minerva Learning Trust will continue to strive to provide outstanding education and improve the 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 our plans for the future are given in our MLT Improvement Plan and in the individual school plans, which are available on our website or from the Clerk to the Trustees.

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

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

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We plan to:

- Continue to improve the teaching of Mathematics by embedding mastery techniques in all schools.
- Reduce the barriers which prevent disadvantaged students making similar progress to others in their year group.
- Reduce the barriers which prevent disadvantaged students making similar progress to others in their year group. The focus in 2018-19 will be on reducing the "word gap" between disadvantaged pupils and non disadvantaged pupils.
- Continue to develop the curriculum and ensure it is broad, balanced and challenging.
- Continue to support leadership through centralising financial management, ICT support etc.

**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.

**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 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, was approved by order of the Board of Trustees, as company directors, on 13 December 2018 and signed on the board's behalf by:

**C Bath  
Chair of Trustees**

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

**GOVERNANCE STATEMENT**

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**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 5 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
C Bath, Chair	5	5
S Brown	1	5
D Jenkins	4	5
A Ledgard	5	5
A Moss, Vice Chair	5	5
K Peraux	5	5
J Piper	4	5
D Powell	3	5
A Ragbourne	4	5
P Stone (appointed 24 July 2018)	0	0
E M Stones	3	5
K Taylor, Executive Principal	5	5
M Young (appointed 26 March 2018)	2	2

The Minerva Learning Trust Board of Trustees welcomed new Trustees Mike Young, who took the place of retired Trustee, Brian Shelley, and Reverend Pete Stone, who took the place of retired Salisbury Diocesan Board of Education Trustee, Reverend Andrew Evans.

There were also changes to the Committee Structure during the period 1 September 2017 to 31 August 2018. Namely the Finance and Premises Committee became the Finance, Audit and Premises Committee, encompassing the Audit function of the Audit, Health and Safety Committee. The Human Resources Committee took over the remit of the Health and Safety Committee thus forming the Human Resources/Health and Safety Committee. This amalgamation meant there were three Committees of the Trust Board rather than four as previously.

A workshop of chairs of Local Governing Bodies and Trustees has met during the year to consider a number of issues with regard to the relationship between the LGB and the Trust Board and the strategic direction.

Following the Annual General Meeting a workshop involving Members, Trustees and Local Governors reviewed the effectiveness of governance within the Minerva Learning Trust along with exploring and discussing the future provision of Special Educational Needs and Disabilities (SEND).

A review of the governance of the Trust was carried out in July 2017 by the South West Audit Partnership (SWAP). It has been decided to review this again in Spring 2019.

The Trust uses the NGA (National Governance Association) documentation and skills matrix to review the effectiveness of Governance practices within the Trust.



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

**GOVERNANCE STATEMENT (continued)**

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Different elements of data are regularly gathered by the Executive Principal and submitted to and reviewed by the Performance and Standards Committee and the Trust Board. This data is deemed by the Committee and the Trust Board to be of good quality, succinct and, most importantly in an understandable format for all.

The main challenge being faced by the MLT and all Trusts alike is the reduction in funding. The Finance, Audit and Premises Committee regularly review the budget profiles and budget projections to have oversight of the changing picture. Another challenge being faced by all Trusts is School Improvement and measures are in place to monitor and improve this.

It is pleasing that the Sir John Colfox Academy recently received a rating of 'Good' following an inspection by Ofsted in which Trust Leaders were praised for their effective challenge to school leaders. The report stated that the top tier of leadership in the school, including Trustees, governors and senior leaders, is a very efficient body who worked well together and provided strong professional dialogue and communication for the rest of the school. The report added that Trustees and governors were equally ambitious for the success of the school and that Trustees are well qualified to undertake their roles; and have strong links with the school. The report also noted that Trustees and governors meet with leaders regularly and provided clear strategic direction; they check actions effectively and are not afraid to question when things are less successful.

The Ofsted report concluded that the governing body of the Sir John Colfox Academy is strong and effective and that many of the governors are also on the board of Trustees. The report noted that Governors oversee the spending of additional funding wisely.

The Finance, Audit 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, Audit and Premises Committee also assists with the management and identification of risk, and the sound management and control of the Trust's finances and other resources. Other responsibilities of the Finance, Audit and Premises Committee include:

- Recommending to the Members the appointment, re-appointment or removal of the external auditors and report to the ESFA;
- Reviewing and considering 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;
- Reviewing the findings of the external auditors and recommending to the Trust Board an action plan arising from it;
- Ensuring that the audited accounts are filed with Companies House;
- Ensuring that suitable accounting records are maintained and to provide publicly accessible accounts in line with the Statement of Recommended Practice (SORP) for Charities;
- Ensuring that the MLT's accounts are published on the web site and are available to any one that requests a copy;
- Identifying 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;
- Ensuring there is a continuous and sufficient review of the risks. It must agree a programme of work that will address the risks identified;
- Driving 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;
- Advising the Board on the minimum and optimum level of internal and external audit arrangements;
- Ensuring 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;
- Monitoring 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;
- Examining reports on special investigations and advise the Board of Trustees accordingly;
- Considering the appropriateness of executive action following responsible officer/internal audit reviews and advise senior management on any additional or alternative steps to be taken;
- Ensuring there is coordination between Accounting Officer, Finance Director, internal audit, external audit and any other review bodies that have been set up;

**THE MINERVA LEARNING TRUST (DORSET)  
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**GOVERNANCE STATEMENT (continued)**

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- Encouraging 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;

The Finance, Audit and Premises Committee formally met 3 times in the period 1 September 2017 to 31 August 2018. During the year Mike Young joined the Committee.

Attendance at meetings during the period 1 September 2017 to 31 August 2018 was as follows:

Trustee	Meetings attended	Out of a possible
D Jenkins	1	3
K Peraux	3	3
A Ragbourne	2	3
E M Stones	2	3
K Taylor, Executive Principal	3	3
M Young (appointed 26 March 2018)	1	1

The Performance and Standards Committee is a sub-committee of the main Board of Trustees. Its purpose is to agree, monitor and review performance targets as set out in the MLT Improvement Plan. It plays a crucial role in ensuring the success of the Trust and in supporting the Executive Principal and Headteachers in improving the quality of teaching and learning and outcomes for all the children across the Trust. The Performance and Standards Committee formally met 4 times in the period 1 September 2017 to 31 August 2018. During the year Mike Young joined the Committee. Attendance at meetings during the period 1 September 2017 to 31 August 2018 was as follows:

Attendance at meetings during the period 1 September 2017 to 31 August 2018 was as follows:

Trustee	Meetings attended	Out of a possible
A Ledgard	3	4
A Moss	2	4
J Piper	3	4
D Powell	3	4
A Ragbourne	3	4
K Taylor, Executive Principal	4	4
M Young (appointed 26 March 2018)	1	1

The Human Resources/Health and Safety Committee is a sub-committee of the main Board of Trustees. Its purpose is to scrutinise policies, review performance and make recommendations to the Board in accordance with the agreed Terms of Reference. This Committee has the following responsibilities with regard to HR:

- Approval of academy staffing structures within the academy's budget, including approval of any restructuring;
- The organisation of procedures for the appointment of senior staff at the academies;
- The appointment of Headteachers (with the EP and the LGB) and the Executive Principal;
- The appointment of the Executive principal

The Human Resources/Health and Safety Committee is also responsible for:

- Recommending the Pay Policy to the Trust Board for adoption;
- Advising each local governing body/finance committee on current and future pay levels;
- Ratifying appropriate salary ranges and starting salaries for lead practitioners, and members of the leadership group and recommending these to the Board for adoption
- Determining the annual pay progress for teachers (by 31 October at the latest) as set out in the Pay Policy, taking account of recommendations made by the Local Governing Body in accordance with the Pay Policy;
- Approving applications to be paid on the Upper Pay Range;

**THE MINERVA LEARNING TRUST (DORSET)  
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**GOVERNANCE STATEMENT (continued)**

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- Recommending to the Board the approval of any pay progression for the Executive Principal (by 31 December at the latest), taking account of the recommendation made by the Performance Review Panel, following the annual review
- Monitoring and reviewing the performance and pay of all Headteachers in the Trust.
- Monitoring and reporting to the Local Governing Body on the annual pattern of performance pay progression at each level and the correlation between pay progression, quality of teaching and outcomes for pupils;
- Ensuring that the Appraisal Policy in each Academy is followed;
- Monitoring recruitment and staff attendance;
- Ensuring high quality training and CPD, including appropriate induction and support for career progression and this should be reviewed annually;
- Recognising and celebrating the good work of staff and keeping the Board informed in such circumstances;
- Ratifying all HR policies and recommending those to the Trust Board for approval;
- Ensuring consultation with recognised Unions where appropriate;
- Encouraging 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;
- Monitoring health and safety compliance on all sites.

The Human Resources/Health and Safety Committee formally met 3 times in the period 1 September 2017 to 31 August 2018.

Attendance at meetings during the period 1 September 2017 to 31 August 2018 was as follows:

Trustee	Meetings Attended	Out of a possible
S Brown	0	3
A Ledgard	2	3
A Moss	3	3
K Peraux	2	3
K Taylor	3	3

The Staff Discipline, Capability, Grievances and Redundancy Committee is a sub-committee of the main Board of Trustees. Its purpose is to follow and adhere to policies approved by the Board which include:

- disciplinary rules and procedures for staff;
- rules and procedures for dealing with capability issues for staff;
- capability procedures for staff.
- procedures for addressing grievances or complaints by staff about their employment; and
- procedures to follow if a member of staff may be made redundant.

This Committee will be called as and when necessary to deal with issues when appropriate. An HR Adviser from Dorset County Council may attend as required.

The Staff Discipline, Capability, Grievances and Redundancy Committee met once in the period 1 September 2017 to 31 August 2018.

Attendance at meetings during the period 1 September 2017 to 31 August 2018 was as follows:

Trustee	Meetings Attended	Out of a possible
D Jenkins	1	1
C Bath	1	1
J Piper	1	1

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

**GOVERNANCE STATEMENT (continued)**

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The Staffing Appeals Committee is a sub-committee of the main Board of Trustees. It will be established to hear any appeals in relation to decisions taken by the HR Committee or the Staff Discipline, Capability, Grievances and Redundancy Committee as appropriate. The membership of this committee will be drawn from Trustees who are not members of the Staff Discipline, Capability, Grievances and Redundancy Committee or the HR Committee. An HR Adviser from Dorset County Council may attend as required.

The Staffing Appeals Committee met once in the period 1 September 2017 to 31 August 2018.

Attendance at meetings during the period 1 September 2017 to 31 August 2018 was as follows:

Trustee	Meetings Attended	Out of a possible
A Moss	1	1
D Powell	1	1
M Stones	1	1

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

**CAPACITY TO HANDLE RISK**

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks, that has been in place for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

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

**GOVERNANCE STATEMENT (continued)**

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**THE RISK AND CONTROL FRAMEWORK**

The Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the 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 considered the need for a specific internal audit function. An Internal Audit of Governance, Purchases and Payments was conducted by South West Audit Partnership in July 2017. It has been agreed that the Trust Board will consider and identify further areas to be reviewed by an internal audit reviewer in the Spring of 2019.

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

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

On an annual basis, the auditor reports to the Board of Trustees through the Finance, Audit and Premises Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

**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 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, Audit and Premises 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 13 December 2018 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**

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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 & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

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

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

**K Taylor**  
**Accounting Officer**

Date: .....

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

**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2018**

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

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

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

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

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

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

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

**C Bath**  
**Chair of Trustees**

**Date: 13 December 2018**

**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)**

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**OPINION**

We have audited the financial statements of The Minerva Learning Trust (Dorset) (the 'Academy Trust') for the year ended 31 August 2018 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 2017 to 2018 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

**BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 other 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)**

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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' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (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 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)**

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**AUDITORS' 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**USE OF OUR REPORT**

This report is made solely to the Academy Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy Trust's members those matters we are required to state to them in an 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.

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

20 December 2018

**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 & SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 25 April 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Minerva Learning Trust (Dorset) during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to 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 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**APPROACH**

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

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the 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 & SKILLS FUNDING AGENCY (continued)**

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**CONCLUSION**

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

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:

**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 2018**

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>INCOME FROM:</b>						
Donations and capital grants	2	11,247	157,440	38,156	206,843	206,120
Charitable activities	3	303,111	8,186,708	-	8,489,819	8,618,891
Other trading activities	4	53,228	-	-	53,228	27,225
Investments	6	530	-	-	530	751
<b>TOTAL INCOME</b>		<b>368,116</b>	<b>8,344,148</b>	<b>38,156</b>	<b>8,750,420</b>	<b>8,852,987</b>
<b>EXPENDITURE ON:</b>						
Charitable activities:						
Grants	5	-	12,703	-	12,703	-
Funding for academy's educational operations	7	591,634	8,786,899	190,397	9,568,930	9,638,317
<b>TOTAL EXPENDITURE</b>		<b>591,634</b>	<b>8,799,602</b>	<b>190,397</b>	<b>9,581,633</b>	<b>9,638,317</b>
<b>NET BEFORE TRANSFERS</b>		<b>(223,518)</b>	<b>(455,454)</b>	<b>(152,241)</b>	<b>(831,213)</b>	<b>(785,330)</b>
Transfers between Funds	19	-	(4,685)	4,685	-	-
<b>NET EXPENDITURE BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>		<b>(223,518)</b>	<b>(460,139)</b>	<b>(147,556)</b>	<b>(831,213)</b>	<b>(785,330)</b>
Actuarial gains on defined benefit pension schemes	23	-	630,000	-	630,000	388,000
<b>NET MOVEMENT IN FUNDS</b>		<b>(223,518)</b>	<b>169,861</b>	<b>(147,556)</b>	<b>(201,213)</b>	<b>(397,330)</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward		483,705	(2,895,732)	7,115,288	4,703,261	5,100,591
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>260,187</b>	<b>(2,725,871)</b>	<b>6,967,732</b>	<b>4,502,048</b>	<b>4,703,261</b>

The notes on pages 30 to 53 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 2018**

	Note	£	2018 £	£	2017 £
<b>FIXED ASSETS</b>					
Tangible assets	15		<b>6,944,055</b>		7,090,099
<b>CURRENT ASSETS</b>					
Debtors	16	<b>175,519</b>		133,201	
Cash at bank and in hand		<b>674,566</b>		1,047,319	
		<b>850,085</b>		1,180,520	
<b>CREDITORS:</b> amounts falling due within one year	17	<b>(555,092)</b>		(619,358)	
<b>NET CURRENT ASSETS</b>			<b>294,993</b>		561,162
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>7,239,048</b>		7,651,261
Defined benefit pension scheme liability	23		<b>(2,737,000)</b>		(2,948,000)
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITIES</b>			<b>4,502,048</b>		4,703,261
<b>FUNDS OF THE ACADEMY</b>					
Restricted income funds:					
Restricted income funds	19	<b>11,129</b>		52,268	
Restricted fixed asset funds	19	<b>6,967,732</b>		7,115,288	
Restricted income funds excluding pension liability		<b>6,978,861</b>		7,167,556	
Pension reserve		<b>(2,737,000)</b>		(2,948,000)	
Total restricted income funds			<b>4,241,861</b>		4,219,556
Unrestricted income funds	19		<b>260,187</b>		483,705
<b>TOTAL FUNDS</b>			<b>4,502,048</b>		4,703,261

The financial statements on pages 27 to 53 were approved by the Trustees, and authorised for issue, on 13 December 2018 and are signed on their behalf, by:

**C Bath**  
**Chair of Trustees**

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

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

	Note	2018 £	2017 £
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	21	<u>(350,531)</u>	<u>80,470</u>
<b>Cash flows from investing activities:</b>			
Interest received		530	751
Purchase of tangible fixed assets		(60,908)	(26,786)
Capital grants from DfE Group		<u>38,156</u>	<u>38,270</u>
<b>Net cash (used in)/provided by investing activities</b>		<u>(22,222)</u>	<u>12,235</u>
<b>Change in cash and cash equivalents in the year</b>			
Cash and cash equivalents brought forward		<u>1,047,319</u>	<u>954,614</u>
<b>Cash and cash equivalents carried forward</b>	22	<u><u>674,566</u></u>	<u><u>1,047,319</u></u>

The notes on pages 30 to 53 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 2018**

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**1. ACCOUNTING POLICIES**

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

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

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

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 2018**

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**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 performance related-conditions there is not unconditional entitlement to the income and its recognition is deferred and included within 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 in full when there is an 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 is measurable.

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

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

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

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

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**1. ACCOUNTING POLICIES (continued)**

**1.5 TANGIBLE FIXED ASSETS AND DEPRECIATION**

All assets costing more than £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:

Leasehold property	-	50 - 125 years
Furniture and fixtures	-	20% Straight line
Computer equipment	-	33% Straight line

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

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

Where the Academy Trust has been granted the use of school buildings from the Diocese under Supplemental Agreements, the Academy Accounts Direction prescribes that under this agreement the risks and rewards of ownership remain with the Diocese. A donation from the Diocese has been recognised equal to the deemed rental expense, based on the rateable value of the buildings.

**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.

**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.

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

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**1. ACCOUNTING POLICIES (continued)**

**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 16. 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 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial 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.

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.

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

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**1. ACCOUNTING POLICIES (continued)**

**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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

**1.13 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT**

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

Critical accounting estimates and assumptions:

The 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 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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.

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

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

**1. ACCOUNTING POLICIES (continued)**

**1.15 PRIVATE FINANCE AGREEMENT (PFI)**

The Academy Trust has in place an agreement with Dorset County Council (DCC) for The Sir John Colfox Academy concerning a Private Finance Initiative (PFI) agreement dated 19 March 2015. The principal PFI agreement which includes an annual charge for rent and services is between DCC and the PFI provider. The duration of that agreement is 15 years. There is then a secondary agreement to which the Trust is a party and this arrangement is treated in these accounts as an operating lease, charged to the Statement of Financial Activities on a straight line basis over the lease term. The full liability over the life of the lease has been included in the operating lease commitment note 24, with the value based on the current annual charge without any inflationary adjustment.

**1.16 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.

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

	<b>Unrestricted funds 2018 £</b>	<b>Restricted funds 2018 £</b>	<b>Restricted fixed asset funds 2018 £</b>	<b>Total funds 2018 £</b>	<b>Total funds 2017 £</b>
Donations	11,247	157,440	-	168,687	167,850
Capital Grants	-	-	38,156	38,156	38,270
	<u>11,247</u>	<u>157,440</u>	<u>38,156</u>	<u>206,843</u>	<u>206,120</u>
Total 2017	<u>10,330</u>	<u>157,440</u>	<u>38,350</u>	<u>206,120</u>	

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

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

**3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>DfE/ESFA grants</b>				
General Annual Grant	-	7,501,357	7,501,357	7,524,147
Other DfE Group grants	-	514,736	514,736	491,276
	<u>-</u>	<u>8,016,093</u>	<u>8,016,093</u>	<u>8,015,423</u>
<b>Other Government grants</b>				
High Needs	-	167,615	167,615	272,670
Other government grants non capital	-	3,000	3,000	6,666
	<u>-</u>	<u>170,615</u>	<u>170,615</u>	<u>279,336</u>
<b>Other funding</b>				
Internal catering income	9,520	-	9,520	11,237
Sales to students	3,156	-	3,156	4,567
Trips and other	290,435	-	290,435	308,328
	<u>303,111</u>	<u>-</u>	<u>303,111</u>	<u>324,132</u>
	<u>303,111</u>	<u>8,186,708</u>	<u>8,489,819</u>	<u>8,618,891</u>
Total 2017	<u>324,131</u>	<u>8,294,760</u>	<u>8,618,891</u>	

**4. OTHER TRADING ACTIVITIES**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Lettings	14,300	-	14,300	26,185
Consultancy	38,928	-	38,928	1,040
	<u>53,228</u>	<u>-</u>	<u>53,228</u>	<u>27,225</u>
Total 2017	<u>27,225</u>	<u>-</u>	<u>27,225</u>	

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

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

**5. ANALYSIS OF GRANTS**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Improvements to diocesan property occupied by the academy trust	-	12,703	12,703	-

**6. INVESTMENT INCOME**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest	530	-	530	751
Total 2017	751	-	751	

**7. EXPENDITURE**

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Education:					
Direct costs	5,776,018	184,848	809,714	6,770,580	6,874,154
Support costs	649,552	329,832	1,818,966	2,798,350	2,764,163
	<u>6,425,570</u>	<u>514,680</u>	<u>2,628,680</u>	<u>9,568,930</u>	<u>9,638,317</u>
Total 2017	<u>6,514,057</u>	<u>459,329</u>	<u>2,664,931</u>	<u>9,638,317</u>	

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

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

**8. DIRECT COSTS**

	<b>Total 2018 £</b>	<b>Total 2017 £</b>
Pension finance cost	75,000	63,000
Educational supplies	324,104	297,265
Examination fees	67,655	61,353
Staff development	39,722	51,264
Other costs	271,061	233,062
Supply teachers	43,366	64,618
Technology costs	32,172	90,616
Wages and salaries	4,281,623	4,391,993
National insurance	406,773	408,465
Pension cost	1,044,256	1,028,009
Depreciation	184,848	184,509
	<u>6,770,580</u>	<u>6,874,154</u>
	<u>6,770,580</u>	<u>6,874,154</u>
Total 2016	<u>6,874,154</u>	

**9. SUPPORT COSTS**

	<b>Total 2018 £</b>	<b>Total 2017 £</b>
Recruitment and support	4,934	1,905
Maintenance of premises and equipment	54,350	72,500
Cleaning	9,196	15,308
Rent and rates	221,476	225,753
Energy costs	19,930	20,025
Insurance	37,391	37,224
Security and transport	2,776	4,805
Catering	121,432	111,280
Technology costs	64,356	86,697
Office overheads	37,227	51,788
Legal and professional	72,248	73,449
PFI agreement costs	1,458,785	1,402,375
Governance	22,593	19,385
Wages and salaries	538,471	518,180
National insurance	31,710	29,185
Pension cost	79,371	73,607
Depreciation	22,104	20,697
	<u>2,798,350</u>	<u>2,764,163</u>
	<u>2,798,350</u>	<u>2,764,163</u>
Total 2016	<u>2,764,163</u>	



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**10. NET INCOME/(EXPENDITURE)**

This is stated after charging:

	<b>2018</b>	2017
	£	£
Depreciation of tangible fixed assets:		
- owned by the Academy Trust	<b>206,952</b>	205,206
Auditors' remuneration - audit	<b>9,660</b>	9,435
Auditors' remuneration - other services	<b>2,390</b>	5,735
Operating lease rentals	<b>14,428</b>	6,535
PFI costs	<b>1,448,736</b>	1,392,792
	<u><u>                    </u></u>	<u><u>                    </u></u>

**THE MINERVA LEARNING TRUST (DORSET)  
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**11. STAFF COSTS**

**Staff costs**

Staff costs were as follows:

	<b>2018</b>	2017
	£	£
Wages and salaries	<b>4,820,094</b>	4,910,173
Social security costs	<b>438,483</b>	437,650
Pension costs	<b>1,123,627</b>	1,101,616
	<u><b>6,382,204</b></u>	<u>6,449,439</u>
Supply teacher costs	<b>43,366</b>	64,618
	<u><b>6,425,570</b></u>	<u>6,514,057</u>

**Staff numbers**

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

	<b>2018</b>	2017
	No.	No.
Teachers	<b>102</b>	118
Administration and support	<b>201</b>	176
Management	<b>14</b>	14
	<u><b>317</b></u>	<u>308</u>

Average headcount expressed as a full time equivalent:

	<b>2018</b>	2017
	No.	No.
Teachers	<b>72</b>	71
Administration and support	<b>70</b>	78
Management	<b>14</b>	14
	<u><b>156</b></u>	<u>163</u>

**Higher paid staff**

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

	<b>2018</b>	2017
	No.	No.
In the band £60,001 - £70,000	<b>2</b>	1
In the band £70,001 - £80,000	<b>1</b>	1
In the band £90,001 - £100,000	<b>1</b>	1

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**11. STAFF COSTS (continued)**

**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 2. 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 £495,216 (2017: £489,065).

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.

**12. CENTRAL SERVICES**

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

- Finance and administration
- Legal costs
- Human resources
- 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:

	<b>2018</b>	2017
	£	£
The Sir John Colfox Academy	<b>126,625</b>	99,466
Burton Bradstock Church of England school	<b>11,147</b>	10,057
Bridport Primary School	<b>49,759</b>	35,954
Bridport St Mary's C of E Primary School	<b>25,702</b>	16,783
Total	<b><u>213,233</u></b>	<u>162,260</u>

**13. TRUSTEES' REMUNERATION AND EXPENSES**

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

During the year ended 31 August 2018, expenses totalling £1,454 (2017: £340) were reimbursed to 4 Trustees (2017: 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 £95,000 - £100,000 (2017: £90,000 - £95,000), Employer's pension contributions £15,000 - £20,000 (2017: £10,000 - £15,000).

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**14. 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 2018 was £767 (2017: £1,572).

**15. TANGIBLE FIXED ASSETS**

	Long-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
<b>COST</b>				
At 1 September 2017	7,234,455	4,170	179,048	7,417,673
Additions	9,166	2,480	49,262	60,908
At 31 August 2018	<u>7,243,621</u>	<u>6,650</u>	<u>228,310</u>	<u>7,478,581</u>
<b>DEPRECIATION</b>				
At 1 September 2017	204,976	834	121,764	327,574
Charge for the year	144,872	1,330	60,750	206,952
At 31 August 2018	<u>349,848</u>	<u>2,164</u>	<u>182,514</u>	<u>534,526</u>
<b>NET BOOK VALUE</b>				
At 31 August 2018	<u>6,893,773</u>	<u>4,486</u>	<u>45,796</u>	<u>6,944,055</u>
At 31 August 2017	<u>7,029,479</u>	<u>3,336</u>	<u>57,284</u>	<u>7,090,099</u>

**16. DEBTORS**

	2018 £	2017 £
Trade debtors	22,432	13,958
VAT recoverable	61,898	32,352
Prepayments and accrued income	91,189	86,891
	<u>175,519</u>	<u>133,201</u>

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**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2018</b>	2017
	£	£
Trade creditors	<b>17,732</b>	55,756
Other taxation and social security	<b>106,046</b>	105,743
Other creditors	<b>108,687</b>	99,626
Accruals and deferred income	<b>322,627</b>	358,233
	<u><b>555,092</b></u>	<u>619,358</u>
	<u><b>555,092</b></u>	<u>619,358</u>
	<b>2018</b>	2017
	£	£
<b>DEFERRED INCOME</b>		
Deferred income at 1 September 2017	<b>101,126</b>	81,170
Resources deferred during the year	<b>152,102</b>	101,126
Amounts released from previous years	<b>(101,126)</b>	(81,170)
	<u><b>152,102</b></u>	<u>101,126</u>
Deferred income at 31 August 2018	<u><b>152,102</b></u>	<u>101,126</u>

At the balance sheet date the Academy Trust was holding funds received in advance for ESFA infant free school meals income and rates relief relating to the 2018/19 year.

**18. FINANCIAL INSTRUMENTS**

	<b>2018</b>	2017
	£	£
Financial assets measured at amortised cost	<b>758,614</b>	1,116,932
	<u><b>758,614</b></u>	<u>1,116,932</u>
Financial liabilities measured at amortised cost	<b>(402,990)</b>	(507,632)
	<u><b>(402,990)</b></u>	<u>(507,632)</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.

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**19. STATEMENT OF FUNDS**

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried forward £
<b>DESIGNATED FUNDS</b>						
ICT sinking fund	79,294	-	-	-	-	79,294
<b>GENERAL FUNDS</b>						
Unrestricted funds	383,717	368,116	(575,079)	-	-	176,754
Unrestricted fixed assets	20,694	-	(16,555)	-	-	4,139
	<u>404,411</u>	<u>368,116</u>	<u>(591,634)</u>	<u>-</u>	<u>-</u>	<u>180,893</u>
Total Unrestricted funds	<u>483,705</u>	<u>368,116</u>	<u>(591,634)</u>	<u>-</u>	<u>-</u>	<u>260,187</u>
<b>RESTRICTED FUNDS</b>						
General Annual Grant (GAG)	52,268	7,501,357	(7,537,811)	(4,685)	-	11,129
High Needs	-	167,615	(167,615)	-	-	-
Pupil Premium	-	301,276	(301,276)	-	-	-
Other DfE/EFA grants	-	213,460	(213,460)	-	-	-
Other restricted funds	-	3,000	(3,000)	-	-	-
Diocesan property rental	-	157,440	(157,440)	-	-	-
Pension reserve	(2,948,000)	-	(419,000)	-	630,000	(2,737,000)
	<u>(2,895,732)</u>	<u>8,344,148</u>	<u>(8,799,602)</u>	<u>(4,685)</u>	<u>630,000</u>	<u>(2,725,871)</u>
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed assets transferred on conversion	7,027,649	-	(159,469)	-	-	6,868,180
DfE/ESFA Capital Grants	87,639	38,156	(29,366)	-	-	96,429
Fixed assets purchased from GAG	-	-	(1,562)	4,685	-	3,123
	<u>7,115,288</u>	<u>38,156</u>	<u>(190,397)</u>	<u>4,685</u>	<u>-</u>	<u>6,967,732</u>
Total restricted funds	<u>4,219,556</u>	<u>8,382,304</u>	<u>(8,989,999)</u>	<u>-</u>	<u>630,000</u>	<u>4,241,861</u>
Total of funds	<u>4,703,261</u>	<u>8,750,420</u>	<u>(9,581,633)</u>	<u>-</u>	<u>630,000</u>	<u>4,502,048</u>

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

**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.

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

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.

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. 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 £4,139 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.

Fixed assets purchased from GAG - This represents funds transferred from GAG to fund fixed asset purchases.

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

**ANALYSIS OF ACADEMIES BY FUND BALANCE**

Fund balances at 31 August 2018 were allocated as follows:

	<b>Total 2018 £</b>	Total 2017 £
The Sir John Colfox Academy	<b>89,110</b>	234,332
Bridport Primary School	<b>83,889</b>	162,821
Burton Bradstock Church of England School	<b>(28,627)</b>	19,871
Bridport St Mary's C of E Primary School	<b>101,019</b>	92,977
Central	<b>25,925</b>	25,972
Total before fixed asset fund and pension reserve	<b>271,316</b>	535,973
Restricted fixed asset fund	<b>6,967,732</b>	7,115,288
Pension reserve	<b>(2,737,000)</b>	(2,948,000)
Total	<b>4,502,048</b>	4,703,261

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

The following academy is carrying a net deficit on its portion of the funds as follows:

<b>Name of academy</b>	<b>Amount of deficit £</b>
Burton Bradstock Church of England School	<b>(28,627)</b>

Burton Bradstock Church of England school has faced financial issues, as their numbers have reduced as has the national AWPU. In 2017/18 Dorset's reduction in High Needs funding across the County resulted in the school losing £20,042 this together with the reduced AWPU funding of £32,288. This resulted in the school having to set a deficit budget.

The Academy Trust is taking the following action to return the academies to surplus:

- Restructure of Senior Leadership
- Reduction in Teaching Assistants
- Finance officer made redundant
- Opening of a Foundation Unit to generate income

**ANALYSIS OF ACADEMIES BY COST**

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

	<b>Teaching and educational support staff costs £</b>	<b>Other support staff costs £</b>	<b>Educational supplies £</b>	<b>Other costs excluding depreciat- ion £</b>	<b>Total 2018 £</b>	<b>Total 2017 £</b>
The Sir John Colfox Academy	<b>3,001,365</b>	<b>284,047</b>	<b>547,725</b>	<b>1,642,546</b>	<b>5,475,683</b>	5,436,701
Bridport Primary School	<b>1,200,512</b>	<b>172,359</b>	<b>83,398</b>	<b>156,287</b>	<b>1,612,556</b>	1,684,473
Burton Bradstock Church of England School	<b>344,072</b>	<b>64,233</b>	<b>22,369</b>	<b>82,948</b>	<b>513,622</b>	490,624
Bridport St Mary's C of E Primary School	<b>746,498</b>	<b>86,037</b>	<b>75,982</b>	<b>219,534</b>	<b>1,128,051</b>	1,213,849
Central	<b>139,571</b>	<b>42,876</b>	<b>5,240</b>	<b>38,082</b>	<b>225,769</b>	216,864
	<b><u>5,432,018</u></b>	<b><u>649,552</u></b>	<b><u>734,714</u></b>	<b><u>2,139,397</u></b>	<b><u>8,955,681</u></b>	<b><u>9,042,511</u></b>



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

**STATEMENT OF FUNDS - PRIOR YEAR**

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried forward £
ICT sinking fund	79,294	-	-	-	-	79,294
<b>GENERAL FUNDS</b>						
Unrestricted funds	575,568	362,438	(544,289)	-	-	393,717
Unrestricted fixed assets	37,249	-	(16,555)	-	-	20,694
	<u>612,817</u>	<u>362,438</u>	<u>(560,844)</u>	<u>-</u>	<u>-</u>	<u>414,411</u>
<b>RESTRICTED FUNDS</b>						
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>-</u>	<u>388,000</u>	<u>(2,895,732)</u>
<b>RESTRICTED FIXED ASSET FUNDS</b>						
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>-</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>-</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>(9,628,317)</u></u>	<u><u>-</u></u>	<u><u>388,000</u></u>	<u><u>4,713,261</u></u>

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

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	4,139	-	6,939,916	6,944,055
Current assets	256,048	566,221	27,816	850,085
Creditors due within one year	-	(555,092)	-	(555,092)
Pension scheme liability	-	(2,737,000)	-	(2,737,000)
	<u>260,187</u>	<u>(2,725,871)</u>	<u>6,967,732</u>	<u>4,502,048</u>

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

	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)
Provisions for liabilities and charges	-	(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>

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

	2018 £	2017 £
Net expenditure for the year (as per Statement of Financial Activities)	(831,213)	(785,330)
<b>Adjustment for:</b>		
Depreciation charges	206,952	205,206
Interest received	(530)	(751)
(Increase)/decrease in debtors	(42,320)	245,916
(Decrease)/increase in creditors	(64,264)	73,699
Capital grants from DfE and other capital income	(38,156)	(38,270)
Defined benefit pension scheme cost less contributions payable	344,000	317,000
Defined benefit pension scheme finance cost	75,000	63,000
<b>Net cash (used in)/provided by operating activities</b>	<u>(350,531)</u>	<u>80,470</u>

**22. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2018 £	2017 £
Cash at bank and in hand	674,566	1,047,319
	<u>674,566</u>	<u>1,047,319</u>

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**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 £95,972 were payable to the schemes at 31 August 2018 (2017: 95,223) and are included within creditors.

**Teachers' Pension Scheme**

**Introduction**

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

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

**Valuation of the Teachers' Pension Scheme**

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

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

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

The employer's pension costs paid to TPS in the period amounted to £548,610 (2017: £556,893).

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

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**23. PENSION COMMITMENTS (continued)**

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 2018 was £335,000 (2017: £301,000), of which employer's contributions totalled £264,000 (2017: £229,000) and employees' contributions totalled £71,000 (2017: £72,000). The agreed contribution rates for future years are 15.6% for employers and 5.5 - 11.4% 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:

	<b>2018</b>	2017
Discount rate for scheme liabilities	<b>2.65 %</b>	2.60 %
Rate of increase in salaries	<b>3.80 %</b>	4.20 %
Rate of increase for pensions in payment / inflation	<b>2.30 %</b>	2.70 %
Inflation assumption (CPI)	<b>2.30 %</b>	2.70 %

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

	<b>2018</b>	2017
Retiring today		
Males	<b>24.0</b>	23.9
Females	<b>26.1</b>	26.0
Retiring in 20 years		
Males	<b>26.3</b>	26.2
Females	<b>28.5</b>	28.3

	<b>At 31 August 2018</b>	At 31 August 2017
<b>Sensitivity analysis</b>	<b>£</b>	<b>£</b>
Discount rate +0.1%	<b>135,000</b>	132,000
Discount rate -0.1%	<b>(139,000)</b>	(135,000)
Mortality assumption - 1 year increase	<b>(170,000)</b>	(164,000)
Mortality assumption - 1 year decrease	<b>165,000</b>	158,000
CPI rate +0.1%	<b>(117,000)</b>	(105,000)
CPI rate -0.1%	<b>114,000</b>	102,000

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

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

**23. PENSION COMMITMENTS (continued)**

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

	<b>Fair value at 31 August 2018 £</b>	Fair value at 31 August 2017 £
Equities and gilts	<b>1,668,000</b>	1,469,000
Debt instruments	<b>172,000</b>	243,000
Cash	<b>23,000</b>	57,000
Property and infrastructure	<b>358,000</b>	283,000
Other investments	<b>264,000</b>	93,000
	<hr/>	<hr/>
Total market value of assets	<b>2,485,000</b>	2,145,000
	<hr/> <hr/>	<hr/> <hr/>

The actual return on scheme assets was £52,000 (2017: £249,000).

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

	<b>2018 £</b>	2017 £
Current service cost	<b>(560,000)</b>	(546,000)
Interest income	<b>58,000</b>	38,000
Interest cost	<b>(133,000)</b>	(101,000)
	<hr/>	<hr/>
Total	<b>(635,000)</b>	(609,000)
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Movements in the present value of the defined benefit obligation were as follows:

	<b>2018 £</b>	2017 £
Opening defined benefit obligation	<b>5,093,000</b>	4,576,000
Current service cost	<b>560,000</b>	546,000
Interest cost	<b>133,000</b>	101,000
Employee contributions	<b>71,000</b>	72,000
Actuarial gains	<b>(638,000)</b>	(174,000)
Benefits paid	<b>(45,000)</b>	(28,000)
Past service costs	<b>48,000</b>	-
	<hr/>	<hr/>
Closing defined benefit obligation	<b>5,222,000</b>	5,093,000
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**THE MINERVA LEARNING TRUST (DORSET)**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

**23. PENSION COMMITMENTS (continued)**

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

	2018 £	2017 £
Opening fair value of scheme assets	2,145,000	1,620,000
Interest income	60,000	39,000
Actuarial gains/(losses)	(8,000)	214,000
Employer contributions	264,000	229,000
Employee contributions	71,000	72,000
Benefits paid	(45,000)	(28,000)
Administration expense	(2,000)	(1,000)
	<u>2,485,000</u>	<u>2,145,000</u>
Closing fair value of scheme assets	<u>2,485,000</u>	<u>2,145,000</u>

**24. OPERATING LEASE COMMITMENTS**

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

	2018 £	2017 £
<b>AMOUNTS PAYABLE:</b>		
Within 1 year	1,463,164	1,406,646
Between 1 and 5 years	5,827,651	5,608,485
After more than 5 years	10,141,150	11,142,336
	<u>17,431,965</u>	<u>18,157,467</u>
Total	<u>17,431,965</u>	<u>18,157,467</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 2019 of £1,448,736 included in the above is based on the amount due for the year ended 31 March 2019 without any inflationary adjustment. £250,509 of the commitment will be paid from General Annual Grant. The balance of £1,198,227 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.

**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.

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

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

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**27. RELATED PARTY TRANSACTIONS**

Owing to the nature of the academy trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

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 2018 the Academy Trust received £12,330 and distributed £5,824 from the fund. An amount of £8,988 is included in other creditors relating to undistributed funds that is repayable to ESFA.