

LANDAU FORTE CHARITABLE TRUST
(A COMPANY LIMITED BY GUARANTEE)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED
31 AUGUST 2019



LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

FINANCIAL STATEMENTS

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LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

REFERENCE AND ADMINISTRATION INFORMATION

Members/Directors

M R Landau (President and Chairman)	(M) (D)	
M T Davies, OBE (Chairman)	(M) (D)	(Resigned 12 September 2019)
O Polizzi, CBE (Deputy Chairman)	(M) (D)	
The Honourable Sir Rocco Forte	(M)	
The Honourable David McAlpine	(M)	(Resigned 11 July 2019)
A Polizzi	(M)	
S Shooter	(M)	
T M Bell	(D)	
L Charlesworth	(D)	(Resigned 11 July 2019)
K Doble	(D)	
J Kirkland, OBE	(D)	
T R Ousley	(D)	
D Shore	(D)	
S Findlay-Cobb	(D)	

Key

(M) Member of the company
(D) Director/Trustee of the Company

Chief Executive Officer and Accounting Officer	S Findlay-Cobb	
Executive Director of Finance & Administration and Company Secretary	C R Manning	(Resigned 1 March 2019)
Director of Operations, CFO and Company Secretary	A C M Eggleston	(Appointed 2 March 2019)
Principal: Landau Forte College Derby Landau Forte Teaching School Landau Forte SCITT	A Brannick	
Principal Landau Forte Academy Amington	A Deen	(Appointed 15 June 2019)
Principal: Landau Forte Academy Tamworth Sixth Form Landau Forte Academy QEMS	S Minhas	(Appointed 1 June 2019)
Head of Landau Forte Academy Moorhead	A Beardmore	
Principal of Landau Forte Academy Greenacres	L Bridge	

Status Landau Forte Charitable Trust is an exempt charity and a company limited by guarantee

Company number 02387916

Auditor KPMG LLP
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

Registered Office Landau Forte College
Fox Street
Derby
DE1 2LF

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

DIRECTORS' REPORT

The Directors are please to present their Annual Report together with the audited financial statements for the year ended 31 August 2019.

Structure, Governance and Management

Constitution

Landau Forte Charitable Trust (the Trust) is a charitable company limited by guarantee (no. 02387916) and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Trust. The Trustees of Landau Forte Charitable Trust are also the Directors of the charitable company for the purposes of company law.

The Principal Sponsors of the Trust are the Landau Charitable Foundation and the Honourable Sir Rocco Forte. The Principal Sponsors may appoint up to 6 members of the Trust in addition to the elected Chairman of Directors. The Trust may also include the Secretary of State for Education on behalf of the Department for Education (or their appointed representative) and such additional trustees as the trustees may agree unanimously in writing. The minimum number of members allowed is three.

The number of trustees of the Trust shall not be less than 3 but (unless determined by ordinary resolution) shall not be subject to any maximum. To carry out the business of the Trust the Members have appointed a Board of Directors. The company has the following categories of Directors: Principal Sponsor Directors; Academy Directors; and the provision for one Parent Director for every 10 Academies.

The Articles require the Trust to appoint a Local Governing Board of Governors to manage the affairs of each of its Academies. The Local Governing Bodies (LGB) for each Academy shall include the Principal, the Chief Executive of the Company, one elected parent/carer of a student at the Academy and such other Governors as the Directors of the Trust decide. The Chairman of the Local Boards of Governors shall be appointed by the Principal Sponsors of the Trust.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Information on page 1.

In September 2019 the Chairman of Trust retired and was replaced by one of the founding members for an interim period to ensure that appropriate oversight was maintained whilst the Trust identifies a replacement.

Members Liability

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

Subsidiary Trading Companies

The Trust owns 100% of the issued share capital of LF Enterprises Limited, Landau Forte Enterprises Tamworth Limited, Landau Forte Enterprises Tamworth Sixth Form Limited, and Landau Forte Enterprises QEEMS Limited, all companies incorporated in England. All profits from these subsidiaries are transferred by gift aid to the Trust. Further details of the profit for the year and the assets and liabilities of each subsidiary are given in note 14 of the financial statements.

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

DIRECTORS' REPORT

Arrangements for Setting Pay and Remuneration of Key Management Personnel

FRS102 identifies key management personnel as those persons having authority and responsibility for planning, directing and controlling the activities of a reporting entity, directly or indirectly, including any Director. Landau Forte Charitable Trust considers this to be the Trustees, Chief Executive, Director of Operations, Academy Principals, Academy Heads of School, and Academy Vice Principals.

Trustees of Landau Forte Charitable Trust receive no remuneration for their role as a Trustee.

Key Management Personnel have their pay and remuneration set by the Trust's Remuneration Committee that meets as a minimum once a year and consists of the Chairman of the Trust and three other Trustees. Pay and remuneration are set considering individual performance during the previous year against individual performance criteria and considers market rates along with affordability for the Trust. Pay and remuneration is set in line with the Trust's pay policy.

Trade Union Facility Time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, it must include information included in Schedule 2 of the Regulations.

Relevant Union Officials:

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	1

Percentage of Time Spent on Facility Time:

Percentage of time	Number of employees
0%	0
1% - 50%	1
51% - 99%	-
100%	-

Percentage of Pay Bill Spent on Facility Time:

Provide the cost of facility time	£678
Provide the total pay bill	£17,675,000
Provide the percentage of the total pay bill spend on facility time	0.004%

Paid Trade Union Activities:

Time spent on paid trade union activities as a percentage of total paid facility time hours	100%
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LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

DIRECTORS' REPORT

Objectives and Activities

Landau Forte Charitable Trust was founded upon delivering a consistent and exceptional quality of learning experience for all our pupils so that they progress to become citizens that positively contribute. Our vision is to always put young people first raising their performance, hopes, aspirations and ambition, strengthening local communities, generating self-belief, self-esteem and self-confidence through practical steps:

- Providing an exciting learning environment where young people feel safe, happy and valued. We will meet the educational and social needs of all our young people, regardless of ability, ethnic background or disability
- Assisting our young people to become confident, creative and questioning individuals who are strong leaders and equally effective team players
- Ensuring our staff are an inspirational, dedicated and well supported team who provided exceptional teaching experience for our young people
- Investing in the high quality professional development of all our staff
- Promoting high standards of achievement and attainment – our young people will be academically well qualified with a breadth of experience that has maximised all their talents and aptitudes
- Giving our young people access to a challenging, broad and balanced curriculum, including regular and frequent opportunities to participate in high quality extracurricular enrichment experiences
- Managing resources effectively and efficiently, ensuring value for money
- Building trusting and informed relationship with parents/ carers and the local community through working in a true partnership

Landau Forte Charitable Trust is an established yet still developing Multi Academy Trust (MAT). In order to secure our educational vision for the future, we need to develop and grow a sustainable, effective and efficient organisation. This plan recognises three pillars for our development over the next three years: school improvement, organisational growth, and an effective operating model.

During 2018/19 the Trust has undergone a period of significant change with the Executive team changing almost entirely. This has resulted in a reset of priorities in line with feedback from Trustees and the RSC. The Trust is now in a position of strength having employed and developed leaders to take forward the priorities of the Trust.

The overarching vision for the Trust is that all activities within the organisation will revolve around the young people that are educated within the Trust. Landau Forte Charitable Trust is a MAT that strives for all pupils to achieve exceptional educational outcomes in order that they can access the opportunities that they need to realise their aspirations.

There are four components of the School improvement strategy going forward and these are:

- Increasing the capacity for School Improvement
- Excellent teaching
- First class support
- Strong and focussed governance

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

DIRECTORS' REPORT

Principal Activity

The principal activity is to operate the Trust's Academies consisting of:

Name	Date Opened	Age Range	Pupil Admission Number (PAN)
Landau Forte College Derby (LFCD)	Sept 1992	11-18	1,125
Landau Forte Academy Amington (LFATA)	Sept 2010	11-16	960
Landau Forte Academy Tamworth Sixth Form (LFATSF)	Sept 2011	16-18	840
Landau Forte Academy QEMS (LFATQ)	Sept 2011	11-16	860
Landau Forte Academy Moorhead (LFADM)	Sept 2012	4-11	280
Landau Forte Academy Greenacres (LFATG)	Sept 2013	4-11	420

Landau Forte College Derby (LFCD) was formerly the 14th City Technology College established in the UK and became an Academy for up to 1,125 students in September 2006. Within the period covered by the financial statements all Academies were operational.

LFCD and LFATSF provide a strong A Level curriculum enabling progression for students attending LFCD and LFATSF. At 11-16 level, all of our Academies have a clear focus on core subjects. The curriculum is enriched through inclusion of Arts, Humanities, Physical Education and Sport with a strong emphasis on preparing students for higher education and future employment.

In developing our primary children and preparing them well for the challenges and progression into secondary education our Primary Academy curriculum has a strong foundation of Mathematics & Numeracy, Literacy: reading, writing, speaking & listening with curriculum balance achieved through Science, the Creative and Performing Arts, Design & Make, Humanities, and Physical Education. Our children from the very outset are encouraged and taught how to develop effective learning habits, develop their skills of leadership, problem solving, team working and how to accepting personal responsibility.

Objectives and Aims

Through the practical steps taken during 2018/19 the vision for the Trust has been strengthened and all activities have centred around the young people within the Trust. Reviews of each school have resulted in clear feedback and has led to specific plans at Academy level to ensure improvement.

Performance of the academies during 2018/19 was not at the level required by the Trust and therefore action has been taken quickly to ensure that improvement is obtained going forward. All activities within the Trust during 2018/19 were in line with the four key areas of the strategy:

- Increasing the capacity for School Improvement
- Excellent teaching
- First class support
- Strong and focussed governance

Performance of the Trust against the plans set last year shows that many of the objectives have been achieved. Updates against these areas are provided below:

1. A clear strategic plan is in place and has been discussed fully with Trustees, actions have already been taken in line with this plan and progress will be monitored throughout the year.
2. LFADM has not yet been removed from Special Measures. The position at this academy has been fully reviewed and during this year specialist support continues to be provided. The academy has improved significantly during the last year, however the Trust are not yet satisfied with the level of improvement.
3. Significant progress has been made across the Trust towards higher standards of education. In particular, new principals have quickly addressed areas of underperformance and are embedding higher expectations throughout the Tamworth secondary academies. The impact of these actions is already being seen at some levels.
4. Academies have operated effectively during this year, with procedures fully in place and any overspend agreed. The budget performance of two Trust academies has been reviewed fully and both Trustees and the Executive team have a thorough understanding of reasons for any overspend and how this can be prevented going forwards.
5. The Trust has not secured any additional academies during the period 2018/19. This will continue to be

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

discussed, however at present focus for the Trust remains on rapid improvement on the existing Trust academies.

6. Capital expenditure during this year has been in line with plans and all projects have been completed on time and within budget.

Plans for Future Periods

The Trust's strategic activities for the year 2019/20 are directly linked to the four areas within the Trust strategy:

1. Every pupil makes accelerated progress
2. Develop our STEAM curriculum to raise aspiration through relevant learning pathways.
3. Strengthen effective school intervention capacity
4. Establish Trust growth
5. Fully review central services
6. Develop a people strategy
7. Develop an estates strategy to inspire learning

These are detailed within the Trust strategy and are reported on regularly. The Executive leaders within the Trust are involved in all elements of these activities to ensure that any actions are in line with the overarching vision to put young people first.

Public Benefit

The Directors confirm that they have given due regard to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

The Trust provides public benefit through the education of children between the ages of 4 and 19 in the Derby and Tamworth areas. The Trust is Government funded and does not charge fees. The Academies are part of the national network of Academies, but operates as independent institutions within the Trust's Federation of Academies. The provision of high quality of education improves social mobility through increased knowledge, skills and aspirations. The skills and knowledge learned will prepare students for their future employment which will in turn generate wider public benefit. In addition surplus funds are reinvested in the development of the Academy estates and facilities to further improve the educational experience for all students.

As well as the students who attend the Trust's Academies the Trust also provides direct benefit to the wider community through the provision of high quality facilities for use by community groups this includes, theatre, sports pitches, all weather pitches, fitness equipment, sports halls, and a swimming pool. The Academies also run various community events throughout the year.

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

Directors Report

Achievements and Performance

Strategic activities and achievements:

Strategic activities and achievements of the Trust during the year included:

Maintaining the drive for continuous improvement:

LFCD has an improved Progress 8 score of +0.67 against last year's score of +0.53. This is well above national average. It continues to be oversubscribed and is recognised as one of the best schools in the county. The number of students entering EBACC is above national average. Progress at A level also continues to be well above average.

At LFATG the number of students making expected progress in reading, writing and maths continues to be above average, despite maths results being lower than anticipated.

Attainment within LFADM, LFATA and LFATQ has remained stable however progress made by students decreased further in 2018/19. This has resulted in significant change made at the academies to ensure rapid improvement.

Increase numbers of roll within the Trust's existing Academies:

Student recruitment during 2018/19 continued to improve with the Trust having increased numbers on roll compared to the previous year. Projections indicate that this increase will continue over the next three years. The Trust has increased the number of pre 16 places at LFCD by reducing the capacity of post 16 to reflect demand within the city of Derby.

Ensuring all Academies operate within agreed delegated budgets:

The Trust achieved a small surplus position during the 2018/19 academic year.

Investment in Academy Facilities:

Funding from the Government's Capital Improvement Fund (CIF) has been allocated to the Trust and projects identified for 2018/19 were completed on time and within the grant funding amount.

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Year Ended 31 August 2019

DIRECTORS' REPORT

Academy Performance 2018/19:

Primary Results

The combined results at Key Stage 2 are:

%	National		Derby City/ Staffordshire		LFADM		LFATG	
	Expected	Greater Depth	Expected	Greater Depth	Expected	Greater Depth	Expected	Greater Depth
2018/19	64	10	60 / 65	8 / 9	27	0	66	12
2017/18	64	10	60 / 65	8 / 9	24	3	73	15

GCSE Results

Summer 2019 saw continued improvement in the results for LFCD. The Progress 8 results across the Trust are:

	LFCD	LFATA	LFATQ
2018/19	+0.63	-0.39	-0.46
2017/18	+ 0.53	- 0.33	- 0.33
2016/17	+ 0.37	- 0.10	- 0.40

National progress is always 0.00. A school's Progress 8 score is usually between -1 and +1. A score of +1 means that pupils in that school achieve one grade higher in each qualification than other similar pupils nationally. A score of -1 means they achieve one grade lower. The average Progress 8 score of all secondary schools nationally is 0.

The percentage of students achieving grade 5 or above in English and Maths are:

%	National	Derby City	Staffordshire	LFCD	LFATA	LFATQ
2018/19	43	38	36.6	59	23	22
2017/18	39.9	38.0	37.7	59	23	23

2018/19 results are provisional, final results will be available in January 2020.

A Level Results

	LFCD	LFATSF	National
	Academic VA	Academic VA	
2018/19	+0.23	-0.4	0.0
2017/18	+ 0.29	- 0.10	0.0

2018/19 results are provisional, final results will be available in January 2020.

Going Concern

After making appropriate enquiries the Board of Directors has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis when preparing the financial statements.

Fundraising

The Trust raises funds through its trading subsidiaries identified on page 2. Fundraising takes the form of the hiring of Trust premises during the year including sports facilities, theatre spaces, and classroom areas, on occasion these facilities will be supplemented with incidental services such as bar or catering services. All lets are covered by a Hire Agreement; the performance of these fundraising activities are overseen by the Trusts management personal with financial information provided to Trustees and Local Governing Bodies.

All costs of these activities are contained within the subsidiary accounts.

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

DIRECTORS' REPORT

Financial Review

Financial Report for the Year

Most of the Trust's annual income is obtained from the ESFA in the form of recurrent grants, the use of which is restricted for particular purposes. The grants received during the year ended 31 August 2019 and the associated expenditure are shown as restricted general funds in the Statement of Financial Activities. The Trust also receives grants for fixed assets from the ESFA. In accordance with the Charities statement of recommended practice (SORP2015) such grants are shown in the Statement of Financial Activities as restricted income in a restricted capital fund. The restricted fixed asset fund balance is reduced by annual amortisation charges over the expected useful life of the assets concerned.

Of the net reduction in funds of £7,274,000 amortisation of fixed assets accounted for £1,791,000 whilst the pension reserve showed an increase of £5,483,000. The remaining movement takes into account capital grant funding and the movement in the Trusts revenue reserves.

In 2019, the Directors have been advised by the actuaries of both Local Government Pension Schemes that the provision to fund the non-academic employees' pensions is £11,110,000. Full information regarding this scheme is detailed at note 11. 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.

Investment Policy

The Directors seek to invest surplus funds in a manner to obtain the best possible return and these are invested with reputable investors. Investments are made in line with the investment policy and the Trusts articles.

Reserves Policy

The Trust held fund balances at 31 August 2019 of £46,461,000 consisting of £34,299,000 of restricted funds and £12,162,000 of unrestricted funds, which includes the Trust's revaluation reserve of £11,694,000.

The policy of the Directors is to transfer recognised surpluses to reserves for investment in tangible fixed assets in all ways possible to assist our tutorial staff to achieve increasing academic standards. The Trust has a number of designated and restricted funds, details of which can be found in notes 19-22 of the financial statements. The Trust has accumulated restricted capital cash and has detailed plans to spend these monies on future capital projects as part of an outline five year programme for each Academy that is produced in line with Academy objectives. The five year programmes form part of a Trust wide twenty five year plan for the maintaining of the Trust's estates and facilities.

Principal Risks and Uncertainties

The principal area of uncertainty for the Trust remains the level of future funding, particularly relating to its pre-16 students. A number of funding announcements have been made since July 2017 outlining potential improvements for pre 16 funding however the impact on the Trust's Academies' remains unknown.

The Trust's risk management framework specifically identifies and monitors the risks associated with funding levels. Short, medium and long term financial models are in place with detailed budgeting beginning in January each year.

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

DIRECTORS' REPORT

Provision of information to the auditor

In so far as the Directors are aware:

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

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

The Annual Report (incorporating the Directors' Report and Strategic Report) was approved by order of the Board of Directors and signed by order of the Board.



A C M Eggleston
Company Secretary

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

STATEMENT ON GOVERNANCE

Scope of Responsibility

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

The Directors have delegated the day-to-day responsibility to the Chief Executive, 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 Landau Forte Charitable Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

Governance and Management

In the year ending 31 August 2019, all the Trustees were the Directors of the charitable company (hereafter referred to as Trust) for the purpose of the Companies Act 2006 (as well as other Directors elected to the Board) and Trustees for the purposes of the charity legislation. The Trustees and Directors who served during the year and who were in office at the date of the annual report are shown on page 1.

The Board of Directors are responsible for setting general policy with specific powers in accordance with the Scheme of Government delegated to the Chief Executive/Accounting Officer, Director of Operations, Local Boards of Governors and the Academy Principals or Heads. The executive of the Trust and of each Academy is held to account through the following framework:

1. The Board of Directors meets formally four times per year and receives reports from the Chief Executive and Director of Operations.
2. The Trust's Financial and General Purposes (F&GP) Committee receives monthly management accounts for all Academies, meets formally four times per year to monitor financial and general management performance, and inform decision making about the future direction of the organisation and capital expenditure.
3. The Trust's Audit Committee meets formally four times per year to monitor the Trust's risk management and control environment. As with the F&GP Committee, the Audit Committee reports directly to the Board of Directors.
4. Each of the Trust's Academies has its own Local Governing Body (LGB) with the Chair of these bodies appointed by the Board of Directors. These LGBs meet formally at least four times a year. Each LGB is responsible for adopting an annual development plan and annual budget, in line with the Trust's Scheme of Delegation, the latter also being agreed with the Board of Directors. The LGBs monitor the performance of their respective Academy by the use of monthly financial information along with four reports throughout the year from the Chief Executive, Academy Principal/Head and the Director of Operations.
5. The Landau Forte College Derby Governing Body also operates an Education Sub Committee which meets formally four times per year. This Committee is specifically focussed the educational outcomes and the quality of teaching at the College.

The Charitable Trust Executive consists of the Chief Executive and the Director of Operations. Each Academy also has a Principal/Head who, together with the Trust Executive team, is responsible for the overall executive leadership and management of the Trust's Academies and the implementation of policy as laid down by the Board of Directors. Each Academy has an internal Executive team and a broader Senior Leadership Team which are responsible for all operational matters relating to curriculum, teaching, learning, student attainment, achievement, broader development and welfare.

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

STATEMENT ON GOVERNANCE

During the year the Board of Directors met formally 4 times. Attendance during the year at meetings of the board of Trustees was as follows:

Trustee	Meetings Attended	Out of a Possible
M R Landau (President and Chairman)	2	3
M Davies (Chairman)	3	3
O Polizzi (Deputy Chairman)	2	3
The Honourable Sir Rocco Forte	1	3
The Honourable Sir D McAlpine	-	3
A Polizzi	2	3
S Shooter	1	3
T M Bell	3	3
L Charlesworth	1	3
K Doble	3	3
J Kirkland	1	3
T R Ousley	2	3
D Shore	2	3

In addition to these the Trust Finance and General Purposes, and the Audit sub-Committees held a minimum of 4 meetings each. Attendance during the year at these meetings was as follows:

F&GP Committee Member	Meetings Attended	Out of a Possible
T R Ousley (Chairman)	4	4
T M Bell	1	4
M Davies	3	4
K Doble	4	4
M Landau	4	4
G Rudd	3	4

Audit Committee Member	Meetings Attended	Out of a Possible
G Rudd (interim Chairman)	3	4
M Davies	3	4
K Doble	4	4
T R Ousley	4	4
T M Bell	1	4

The Local Governing Bodies for the Academies each held 4 formal meetings. On an individual basis, a number of the Directors attended the Academies. Details of the attendance to these meetings can be found on the Academy websites.

The induction provided for new Directors and Local Governors depends on their existing experience, but may include meetings with the Chairman, Chief Executive, Academy Principals other Trustees, Directors or Governors and a tour of the Academies to meet staff and students supported by a documented induction pack of information and guidance.

During the year the Trust held an Annual General Meeting for all Directors, Members, members of the LGBs and the Academy Executive Leadership Teams.

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

STATEMENT ON GOVERNANCE

Review of Value for Money

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

The accounting officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Directors 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:

- (i) Reshaping the Executive structure across the Trust, resulting in a focussed and effective provision that has also delivered cost savings.
- (ii) Piloted online training for required courses to reduced time out of the academy for staff and reduce spend on courses.
- (iii) Improving academic results at LFCD, and LFATSF whilst reducing total expenditure at each of these Academies; and
- (iv) Reduced staff absence across the Trust.

The Purpose of the System of Internal Control

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

Capacity to Handle Risk

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

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

STATEMENT ON GOVERNANCE

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Directors;
- regular reviews by the Finance and General Purpose Committees of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks.

The Directors have appointed an Audit Committee to provide oversight of the Trust's financial control systems. The Audit Committee's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems and controls. The Audit Committee reports to the Board of Directors on a quarterly basis.

Review of effectiveness

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

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

Approved by order of the Directors on 18 December 2019 and signed on their behalf by



S FINDLAY-COBB
Accounting Officer
Chief Executive Officer



Martin R Landau
Chairman

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Landau Forte Charitable Trust I have considered my responsibility to notify the Trust Board of Directors and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Trust under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the Trust Board of Directors are able to identify any material irregular or improper use of all funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreements and the Academies Financial Handbook 2018.

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

S FINDLAY-COBB
Accounting Officer
Chief Executive Officer



LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

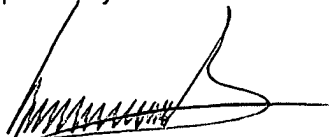
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards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

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

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

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

Approved by order of the members of the board of Directors' and signed on its behalf by:



Martin R Landau
Chairman

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LANDAU FORTE CHARITABLE TRUST

Opinion

We have audited the financial statements of Landau Forte Charitable Trust ("the charitable company") for the year ended 31 August 2019 which comprise the Consolidated Statement of Financial Activities; Statement of Financial Activities – Trust; Balance Sheet; Statement of Cash Flows and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 August 2019, and of the group's and the charitable company's incoming resources and application of resources, including the group and charitable company's income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP (FRS 102) and the *Academies Accounts Direction 2018 to 2019* 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the group or the charitable company or to cease their operations, and as they have concluded that the group and the charitable company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the group's and the charitable company's business model, including the impact of Brexit, and analysed how those risks might affect the group and the charitable company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the group or the charitable company will continue in operation.

Other information

The trustees are responsible for the other information, which comprises the Reference and Administrative Details, the Trustees' Annual Report and Governance Statement and the Statement on Regularity, Propriety and Compliance. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Trustees' Annual Report, which constitutes the Strategic Report and the Directors' Report for the financial year, is consistent with the financial statements; and

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company's 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.

We have nothing to report in these respects.

Trustees' responsibilities

As explained more fully in their statement set out on page 16, the trustees (who are the directors of the charitable company 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group and charitable company'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 they either intend to liquidate the group or the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Dawson (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One Snow Hill
Snowhill Queensway
Birmingham
B4 6GH

23 December 2019

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

Independent Reporting Accountant's Assurance Report on Regularity to Landau Forte Charitable Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 19 November 2013 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Landau Forte Charitable Trust during the period 1st September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Landau Forte Charitable Trust (the Academy Trust) and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Landau Forte Charitable Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Landau Forte Charitable Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Landau Forte Charitable Trust's funding agreement with the Secretary of State for Education dated 16 August 2013 and Landau Forte Charitable Trust Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with Landau Forte Charitable Trust's Accounts Direction 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusion included:

- Documenting the framework of authorities which govern the activities of the Landau Forte Charitable Trust;
- Reviewing the evidence supporting the representations included in the Accounting Officer's statement on regularity, propriety and compliance with the framework of authorities;
- Undertaking a risk assessment based on our understanding of the general control environment and any weaknesses in internal controls identified by our audit of the financial statements;
- Reviewing the output from the self-assessment questionnaires completed by all Business managers on behalf of the Governing Body;
- Testing compliance with delegated authorities for a sample of material transactions;

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

- Testing transactions with connected parties to determine whether the Trust has complied with the 'at cost' requirements of the Academies Financial Handbook 2018;
- Confirming through enquiry and sample testing that the Trust has complied with its procurement policies and that these policies comply with delegated authorities; and
- Reviewing any evidence of impropriety resulting from our work and determining whether it was significant enough to be referred to in our regularity report.

This list is not exhaustive and we performed additional procedures designed to provide us with sufficient appropriate evidence to express a negative conclusion on regularity consistent with the requirements of Annex B of the Academies Accounts Direction 2018 to 2019.

Conclusion

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



Mark Dawson
Reporting Accountant
for and on behalf of KPMG LLP
Chartered Accountants
One Snow Hill
Snowhill Queensway
Birmingham
B4 6GH

23 December 2019

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account)

Consolidated Statement of Finance Activities - Group

	Notes	Unrestrict ed Funds £'000	Revaluation Reserve £'000	Restricted General Funds £'000	Restricted Capital Funds £'000	Total 2019 £'000	Total 2018 £'000
Income From:							
Investment income	4	14	-	-	-	14	9
Income from trading activities	14	913	-	-	-	913	811
Donations and capital grants	5	-	-	-	619	619	496
Charitable activities:							
- Funding for the Trust's educational operations	3	1,605	-	20,208	-	21,813	21,268
Total		2,532	-	20,208	619	23,358	22,584
Expenditure on:							
Costs relating to trading activities	14	647	-	-	-	647	650
Charitable activities:							
- Group educational operations	7	-	265	22,834	2,234	25,333	25,004
Total	6	647	265	22,834	2,234	25,980	25,654
Net Income/(Expenditure)		1,885	(265)	(2,626)	(1,615)	(2,622)	(3,070)
Transfers between funds	19	(1,929)	-	1,929	-	-	-
Net Income/(Expenditure) before Other Recognised Gains and Losses		(44)	(265)	(697)	(1,615)	(2,622)	(3,070)
Other Recognised Gains and Losses							
Actuarial gains/(losses) on defined benefit pension scheme	11	-	-	(4,790)	-	(4,790)	2,545
Net Movement in Funds		(44)	(265)	(5,487)	(1,615)	(7,412)	(525)
Fund balances brought forward at 1 September 2018		456	11,950	(5,574)	47,044	53,874	54,408
Fund balances carried forward at 31 August 2019		412	11,685	(11,061)	45,429	46,462	53,883

All income and expenditure relates to continuing activities.

The notes on pages 25 to 52 form part of these financial statements.

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

STATEMENT OF FINANCIAL ACTIVITIES – TRUST (including Income and Expenditure Account)

Consolidated Statement of Finance Activities - Trust

	Notes	Unrestrict ed Funds £'000	Revaluation Reserve £'000	Restricted General Funds £'000	Restricted Capital Funds £'000	Total 2019 £'000	Total 2018 £'000
Income from:							
Investment income	4	280	-	-	-	280	170
Donations and capital grants	5	-	-	-	619	619	496
Charitable activities:							
- Funding for the Trust's educational operations	3	1,605	-	20,208	-	21,813	21,268
Total		1,885	-	20,208	619	22,712	21,933
Expenditure on:							
Charitable activities:							
- Group educational operations	7	-	265	22,834	2,234	25,333	25,004
Total	6	-	265	22,834	2,234	25,333	25,004
Net Income/(Expenditure)		1,885	(265)	(2,626)	(1,615)	(2,620)	(3,071)
Transfers between funds	20	(1,929)	-	1,929	-	-	-
Net Income/(Expenditure) before Other Recognised Gains and Losses		(44)	(265)	(697)	(1,615)	(2,620)	(3,071)
Other Recognised Gains and Losses							
Actuarial gains/(losses) on defined benefit pension scheme	11	-	-	(4,790)	-	(4,790)	2,545
Net Movement in Funds		(44)	(265)	(5,487)	(1,615)	(7,410)	(526)
Fund balances brought forward at 1 September 2018		455	11,950	(5,574)	47,044	53,874	54,408
Fund balances carried forward at 31 August 2019		411	11,685	(11,061)	45,429	46,462	53,882

All income and expenditure relates to continuing activities.

The notes on pages 25 to 52 form part of these financial statements.

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

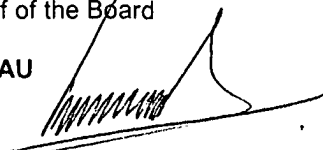
BALANCE SHEET

		Group		Trust	
	Notes	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Fixed assets					
Tangible assets	12	57,456	59,224	57,456	59,224
Investments		-	-	-	-
		<u>57,456</u>	<u>59,224</u>	<u>57,456</u>	<u>59,224</u>
Current assets					
Stocks	15	69	68	62	64
Debtors	16	1,615	1,623	1,490	1,461
Investments - short term deposits		849	809	849	809
Cash at bank and in hand		473	155	236	(107)
		<u>3,007</u>	<u>2,655</u>	<u>2,637</u>	<u>2,226</u>
Creditors: amounts falling due within one year	17	(2,505)	(1,894)	(2,136)	(1,465)
Net current assets		<u>502</u>	<u>761</u>	<u>501</u>	<u>761</u>
Creditors: amounts falling due after one year	18	(387)	(475)	(387)	(475)
Net assets		<u>57,571</u>	<u>59,510</u>	<u>57,571</u>	<u>59,510</u>
Defined benefit pension liability - Derby	11	(5,089)	(2,302)	(5,089)	(2,302)
Defined benefit pension liability - Tamworth	11	(6,021)	(3,325)	(6,021)	(3,325)
(See note below)					
Net assets including pension scheme liabilities		<u>46,461</u>	<u>53,883</u>	<u>46,461</u>	<u>53,883</u>
Funds					
Restricted funds:					
Restricted capital funds	19, 20	45,362	47,030	45,362	47,030
Restricted fund - Williams bursary	19, 20	47	50	47	50
Restricted general fund	19, 20	-	-	-	-
Pension reserve	19, 20	(11,110)	(5,627)	(11,110)	(5,627)
Unrestricted funds:					
Designated unrestricted funds	19, 20	468	470	468	470
Unrestricted fund	19, 20	-	-	-	-
Revaluation reserve	19, 20	11,694	11,959	11,694	11,959
Treasury revaluation reserve	19, 20	-	-	-	-
Total Funds		<u>46,461</u>	<u>53,883</u>	<u>46,461</u>	<u>53,883</u>

For detail regarding the LGPS pension liability please refer to note 11. For clarification purposes 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.

The financial statements on pages 21 to 52 were approved by the Board of Directors on 18 December 2019
Signed on behalf of the Board

Martin R LANDAU



LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

STATEMENT OF CASH FLOWS

Cashflow Statement

	Notes	Group		Trust	
		2019 £'000	2018 £'000	2019 £'000	2018 £'000
Cash flows from operating activities					
Net cash (used in) operating activities	24a	600	187	624	23
Cash flows from investing activities	24c	(151)	(225)	(151)	(225)
Cash flows from financing activities	24b	(89)	(27)	(89)	(27)
Change in cash and cash equivalents in the reporting period		359	(65)	383	(228)
Cash and cash equivalents at 1 September 2018		964	1,038	702	937
Cash and cash equivalents at 31 August 2019	24d	1,323	973	1,085	709

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

NOTES TO FINANCIAL STATEMENTS

1. Accounting policies

Basis of preparation

The financial statements of Landau Forte Charitable 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 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Statement of Financial Activities (SOFA) and balance sheet consolidate the financial statements of the parent charitable company and its subsidiary undertakings, LF Enterprises Limited, Landau Forte Enterprises Tamworth Limited, Landau Forte Enterprises Tamworth Sixth Form Limited, and Landau Forte Academy QEMS Limited. The results of the subsidiaries are consolidated on a line by line basis.

Going Concern

The Directors 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 company to continue as a going concern. The Directors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements. After making appropriate enquiries the Board of Directors has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern. For these reasons it continues to adopt the going concern basis when preparing the financial statements.

Grants receivable

The General Annual Grant (GAG) and other recurring and non-recurring grants received from the ESFA, are included in the statement of financial activities on a receivable basis.

Capital grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not matched to relevant expenditure during the period is shown in the restricted capital funds in the balance sheet.

Donations

Donations are included in the statement of financial activities where the receipt is probable and the amount can be reliably measured.

Sponsorship

The value of sponsorship provided to the Trust is recognised in the statement of financial activities in the period it is receivable when there is certainty of receipt.

Interest receivable

Interest receivable is included within the statement of financial activities on a receivable basis.

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

NOTES TO FINANCIAL STATEMENTS

Investments

Fixed asset investments are shown at the market value on the last business day of the year. Any unrealised loss or gain is taken to the treasury revaluation reserve. Current asset investments are stated at the lower of cost and net realisable value.

Shares in subsidiaries held as fixed assets are stated at cost less provision for any impairment.

Tangible fixed assets

Freehold land is held at historic cost and is not depreciated.

Freehold and leasehold buildings are held at valuation. All such assets were given a full valuation on 31 August 2013 on the basis of depreciated replacement cost (DRC), by Ben Glover, a registered member of the Royal Institute of Chartered Surveyors for Pulse Associates, who are independent of the Trust. As a first time adopter of FRS102 the Trust has used those fair values as its deemed cost at 1 September 2014 in accordance with FRS102 paragraph 35.10(c) and has ceased to revalue its property on an ongoing basis.

Tangible fixed assets are depreciated over their estimated useful lives at the following rates:

Freehold land	- nil
Leasehold/Freehold buildings	- straight line over remaining UEL (Useful Economic Life) as identified during valuation
Furniture and equipment	- 25% straight line
Computer equipment and software	- 33% for infrastructure e.g. servers
	- 100% in year of acquisition for equipment

Assets are capitalised in accordance with the guidelines set down by the ESFA. This may result in assets which would otherwise be capitalised being charged to expenditure. The de minimus level used for asset capitalisation was £5,000 during the year.

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. The depreciation on such assets is charged in the statement of financial activities over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions, by definition, can vary from the actual results the estimates and assumptions that have a significant risk of causing 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 11, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full valuation would impact on the carrying amount of the pension liability.

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

NOTES TO FINANCIAL STATEMENTS

Stock

Unused stationery and catering stores are valued at the lower of cost or net book value.

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.

Pensions

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Trust. More details of the defined benefit schemes are given in notes 10 and 11.

Defined Benefit Schemes

Teachers' Pension Scheme

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method.

As stated in Note 10, the TPS is a multi-employer scheme and the Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised in the period to which they relate.

Local Government Pension Scheme

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities 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 gains and losses.

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

NOTES TO FINANCIAL STATEMENTS

Fund Accounting

Restricted capital funds represent funds received towards capital expenditure by way of:

- Grants from the Government;
- Private donations and sponsorship;
- Surpluses on GAG income which have been used for capital purposes;
- Donated assets from the Partnership for schools scheme; and
- Academies converting from Local Authority control.

Any amounts used for capital purposes by the Trust from its unrestricted funds are allocated to an unrestricted capital fund.

The Williams Bursary is a restricted fund and represents a capital sum of £47,000 from which the income generated may only be used to fund bursaries to selected Trust students for use in their further education.

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

NOTES TO FINANCIAL STATEMENTS

2. General Annual Grant (GAG)

Under the funding agreement with the Secretary of State some Academies within the Trust were subject to limits at 31 August 2019 on the amount of GAG funding that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

No academies within the Trust exceeded the limits during the year ended 31 August 2019.

3. Funding for the Trust's E

	Landau Forte College Derby	Landau Forte Academy Amington	Landau Forte Academy Tamworth Sixth Form	Landau Forte Academy QEMS	Landau Forte Academy Moorhead	Landau Forte Academy Greenacres	Group and Trust	
	£'000	£'000	£'000	£'000	£'000	£'000	2019 £'000	2018 £'000
Restricted								
DfE and ESFA grants:								
- General Annual Grant (GAG)	5,807	4,201	2,283	3,500	1,062	1,353	18,206	18,095
- Academy lead-in grant	-	-	-	-	-	-	-	-
- Start up grant A	-	-	-	-	-	-	-	-
- Other	401	389	137	255	248	177	1,606	1,370
Other Grants:								
- Local authority grants	174	64	41	31	43	43	396	309
- Other	-	-	-	-	-	-	-	-
Total Restricted	6,382	4,655	2,461	3,785	1,353	1,573	20,208	19,774
Unrestricted								
School meals income	442	287	128	202	74	89	1,222	1,195
Other	93	104	57	48	21	61	383	299
Total Unrestricted	535	391	186	250	95	150	1,605	1,494
Total	6,917	5,046	2,647	4,035	1,448	1,723	21,813	21,268

ducational Operations

4. Investment Income

	Group Unrestricted		Trust Unrestricted	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Bank interest	14	9	14	9
Gift aid payment from wholly owned subsidiary	-	-	266	161
	14	9	280	170

5. Donations and Capital Grants

	Group		Trust	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Capital Grants	619	496	619	496
Donations	-	-	-	-
	619	496	619	496

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

NOTES TO FINANCIAL STATEMENTS

6. Expenditure

	Staff Costs £'000	Depreciation /Impairment £'000	Other Costs £'000	Total 2019 £'000	Total 2018 £'000
a) Group					
Group's educational operations:					
Direct costs of education	13,259	1,869	1,278	16,406	16,083
Allocated support costs	4,416	630	3,880	8,927	8,929
Cost relating to non-charitable trading (note 14)	-	-	647	647	650
	<u>17,675</u>	<u>2,499</u>	<u>5,805</u>	<u>25,979</u>	<u>25,662</u>
b) Trust					
Trust's educational operations:					
Direct costs of education	13,259	1,869	1,278	16,406	16,083
Allocated support costs	4,416	630	3,880	8,927	8,929
	<u>17,675</u>	<u>2,499</u>	<u>5,158</u>	<u>25,333</u>	<u>25,012</u>

7. Charitable Activities

	Group		Trust	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Direct Costs of Education				
Teaching and educational support staff	13,259	13,089	13,259	13,089
Depreciation	1,869	1,832	1,869	1,832
Books and educational supplies	583	509	583	509
Examination fees	322	319	322	319
Staff development and recruitment	171	192	171	192
External educational advice	161	82	161	82
Licences and subscriptions	42	60	42	60
	<u>16,406</u>	<u>16,083</u>	<u>16,406</u>	<u>16,083</u>
	Group		Trust	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Allocated Support Costs				
Support staff costs	4,416	4,671	4,416	4,671
Depreciation	630	617	630	617
Premises costs	1,338	1,299	1,338	1,299
Technology costs	373	369	373	369
Catering costs	1,201	1,158	1,201	1,158
Other support costs	872	713	872	713
Governance costs	51	52	51	52
Auditors' fees:				
Audit of Financial Statements	38	45	38	45
Non audit services	7	4	7	4
	<u>8,927</u>	<u>8,927</u>	<u>8,927</u>	<u>8,927</u>
Total charitable activities	<u>25,333</u>	<u>25,010</u>	<u>25,333</u>	<u>25,010</u>

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

NOTES TO FINANCIAL STATEMENTS

9. Information regarding Trustees and Employees

	Group		Trust	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Employees				
Wages and salaries	13,461	13,166	13,461	13,166
Social security costs	1,141	1,152	1,141	1,152
Other pension costs	2,876	3,241	2,876	3,241
Other staff costs	49	37	49	37
Restructuring costs	33	88	33	88
	17,559	17,684	17,559	17,684

The average number of persons employed:
(Full Time Equivalent)

	Group		Trust	
	2019	2018	2019	2018
Management	27	26	27	26
Teachers	173	191	173	191
Administration and Support	203	225	203	225
	403	441	403	441

The number of employees paid over £60,000 during the year (salary plus taxable benefits, plus employer's pension contributions) was:

£60,001 - £70,000	19	15	19	15
£70,001 - £80,000	5	2	5	2
£80,001 - £90,000	3	4	3	4
£90,001 - £100,000	1	2	1	2
£100,001 - £110,000	-	-	-	-
£110,001 - £120,000	1	1	1	1
£120,001 - £130,000	-	1	-	1
£130,001 - £140,000	1	-	1	-
£190,001 - £200,000	1	1	1	1
Total	31	26	31	26

For the above employees earning more than £60,000 per annum, retirement benefits payable under the Teachers' Pension Scheme amounted to £311,288 (2018: £251,809) and to the Local Government Pension Scheme amounted to £32,574 (2018: £33,688).

Key Management Personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as identified on page 3. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £1,788,000 (2018: £1,621,000).

Non Statutory/Non Contractual Staff Severance Payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £33,000 (2018: £88,000). Individually, the payments were: £12,264, £7,366, £4,627, £5,331 and £3,808

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

NOTES TO FINANCIAL STATEMENTS

Emoluments of Members, Directors and Governors

The Members, Directors and Governors of the Trust did not receive any payment from the Trust other than the reimbursement of travel and other subsistence costs incurred in the course of their duties. Travel and subsistence costs reimbursed in the year to 31 August 2019 amounted to £3,591 (2018: £5,723).

In 2018/19 S Findley-Cobb was the Chief Executive and Accounting Officer of the Trust and Group, and a Director but did not receive any remuneration for her role as Director. Her remuneration as an employee was £170,000. In 2017/18 the Accounting Officer was not a Director of the Trust and Group

Retirement benefits are accruing in respect of qualifying services to 1 Directors (2017/18: 0 Director).

10. Trustees and Officers Insurance

In accordance with normal commercial practice, the Trust has in place insurance against losses arising from the wrongful acts of Trustees or officers of the Trust. The policy provides cover up to £10,000,000 for any one claim.

The Trust also has in place Fidelity Guarantee insurance against losses of monies or other property belonging to the Trust as a consequence of dishonest or fraudulent acts, errors or omissions by Trustees or employees. Cover is provided up to £10,000,000 for any one claim.

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

NOTES TO FINANCIAL STATEMENTS

11. Pension and Similar Obligations

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

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme – Introduction

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

THE TEACHERS' PENSION BUDGETING AND VALUATION ACCOUNT

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

VALUATION OF THE TEACHERS' PENSION SCHEME

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

A copy of the latest valuation report can be found by following this link to [the Teachers' Pension Scheme website](#)

SCHEME CHANGES

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

NOTES TO FINANCIAL STATEMENTS

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £1,054,000 (2018: £1,036,000), of which employer's contributions totalled £793,000 (2018: £775,000) and employees' contributions totalled £261,000 (2018: £261,000). The agreed contribution rates for future years for employers are 12.3% for LFCD, 19.6% for LFADM, 21.7% for LFATA, 21.7% for LFATSF, and 24.2% for LFATQ and LFATG. For employees this is 5.5%-9.9% depending on their salary at all sites.

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.

	LFCD		LFATA, LFATSF, LFATQ & LFATG				LFADM	
			LFATG					
	2019	2018	2019	2018	2019	2018	2019	2018
Discount rate	1.9%	2.8%	1.9%	2.8%			1.8%	2.8%
Rate of CPI inflation	2.3%	2.3%	2.3%	2.3%			2.3%	2.4%
Future salary increase	2.8%	2.8%	2.7%	2.7%			2.8%	2.9%
Future pension increases	2.3%	2.3%	2.3%	2.3%			2.4%	2.4%
Expected rate of return of assets								

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

Life expectancy assumptions:	LFCD		LFATA, LFATSF, LFATQ & LFATG				LFADM	
			LFATG					
	Male	Female	Male	Female	Male	Female	Male	Female
Retiring in 20 years' time	23.9 yrs	26.5 yrs	22.2 yrs	24.8 yrs	23.9 yrs	26.5 yrs		
Retiring today	21.9 yrs	24.4 yrs	21.1 yrs	23.5 yrs	21.9 yrs	24.4 yrs		

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

	LFCD			LFATA, LFATSF, LFATQ & LFATG						LFADM	
	2019			2019						2019	
	Percentage invested	Value at 31/08/19 £'000	Value at 31/08/18 £'000	Percentage invested	Value at 31/08/19 £'000	Value at 31/08/18 £'000	Percentage invested	Value at 31/08/19 £'000	Value at 31/08/18 £'000	Percentage invested	Value at 31/08/19 £'000
Equities	61.0%	2,807	2,740	68.0%	5,592	4,997	61.0%	531	518		
Gilts/bonds	24.0%	1,104	777	22.0%	1,809	1,356	24.0%	209	147		
Property	8.0%	368	286	8.0%	658	571	8.0%	70	54		
Cash	7.0%	322	286	2.0%	164	214	7.0%	61	54		
	100.0%	4,602	4,090	100.0%	8,224	7,138	100.0%	871	773		

The actual return on scheme assets was £348,000 (2018: £272,000)

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

NOTES TO FINANCIAL STATEMENTS

The amounts include in the balance sheet:

	LFCD		LFATA, LFATSF, LFATQ & LFATG		LFADM		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Present value of funded obligations	8,571	5,644	14,123	10,463	2,113	1,521	24,807	17,628
Fair value of scheme assets	(4,602)	(4,090)	(8,224)	(7,138)	(871)	(773)	(13,697)	(12,001)
Net pension liability	3,969	1,554	5,899	3,325	1,242	748	11,110	5,627

Amount recognised in the statement of financial activities:

	LFCD		LFATA, LFATSF, LFATQ & LFATG		LFADM		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Current service cost	(538)	(628)	(814)	(936)	(96)	(117)	(1,448)	(1,681)
Past service cost	-	-	-	-	-	-	-	-
Expected return on assets	-	-	-	-	-	-	-	-
Net interest cost	(48)	(53)	(97)	(113)	(22)	(21)	(167)	(187)
Total operating charge	(586)	(681)	(911)	(1,049)	(118)	(138)	(1,615)	(1,868)

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

	LFCD		LFATA, LFATSF, LFATQ & LFATG		LFADM		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Opening defined benefit obligation	5,644	5,554	10,463	5,608	1,521	1,486	17,628	12,648
Amount transferred	-	-	-	4,842	-	-	-	4,842
Current service cost	538	628	556	936	96	117	1,190	1,681
Past service cost	48	-	68	-	13	-	129	-
Member contributions	102	102	144	143	15	16	261	261
Interest cost	166	147	305	273	44	39	515	459
Benefits paid	(38)	(27)	(68)	(64)	(15)	(15)	(121)	(106)
Actuarial (gains)/losses	2,111	(760)	2,655	(1,275)	439	(122)	5,205	(2,157)
Closing defined benefit obligation	8,571	5,644	14,123	10,463	2,113	1,521	24,807	17,628

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

NOTES TO FINANCIAL STATEMENTS

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

	LFCD		LFATA, LFATSF, LFATQ & LFATG		LFADM		Total	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Opening fair value of scheme assets	4,090	3,624	7,138	3,463	773	679	12,001	7,766
Amount transferred	-	-	-	2,645	-	-	-	2,645
Expected return on scheme assets	131	101	259	268	25	19	415	388
Interest income	118	94	208	160	22	18	348	272
Employer contributions	199	196	543	523	51	56	793	775
Member contributions	102	102	144	143	15	16	261	261
Benefits paid	(38)	(27)	(68)	(64)	(15)	(15)	(121)	(106)
Actuarial gains	-	-	-	-	-	-	-	-
Closing defined benefit assets	4,602	4,090	8,224	7,138	871	773	13,697	12,001

On 26 October, the High Court handed down a judgment involving the Lloyds Banking Group's defined benefit pension schemes. The judgment concluded the schemes should be amended to equalise pension benefits for men and women in relation to guaranteed minimum pension benefits, "GMP". The Government will need to consider this outcome in conjunction with the Government's recent consultation on GMP indexation in public sector schemes before concluding on any changes required to LGPS schemes.

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

NOTES TO FINANCIAL STATEMENTS

12. Tangible assets

	Freehold land £'000	Leasehold land & buildings £'000	Freehold buildings £'000	Furniture & Equipment £'000	Computer Equipment and Software £'000	Assets Under Construction £'000	Total £'000
Group & Trust							
Cost or valuation							
At 1 September 2018	1,165	46,094	23,516	7,325	5,231	254	83,585
Additions	-	527	-	285	226	273	1,311
Disposals	-	-	-	-	(104)	-	(104)
Transfers	-	-	-	-	-	(527)	(527)
Impairment	-	-	-	-	-	-	-
At 31 August 2019	1,165	46,621	23,516	7,610	5,353	-	84,265
Accumulated depreciation							
At 1 September 2018	-	8,081	4,143	6,957	5,180	-	24,361
Charge for the year	-	1,423	626	245	258	-	2,552
Disposals	-	-	-	-	(104)	-	(104)
Impairment	-	-	-	-	-	-	-
At 31 August 2019	-	9,504	4,769	7,202	5,334	-	26,809
Net book value							
At 31 August 2019	1,165	37,117	18,747	408	19	-	57,456
At 31 August 2018	1,165	38,013	19,373	368	51	254	59,224

The group has a long term (125 year) lease of land at the Amington, QEMS, and Greenacres sites from Staffordshire County Council for an annual peppercorn rent; and a long term (125 year) lease at the Moorhead site from Derby City Council for an annual peppercorn rent.

Freehold and leasehold land and buildings occupied by the Trust were valued on a depreciated replacement cost basis by Ben Glover, a registered member of the Royal Institute of Chartered Surveyors for Pulse Associates, an independent Chartered Surveyor as at 31 August 2013. As a first time adopter of FRS102 the Trust has used those fair values as its deemed cost at 1 September 2014 in accordance with FRS102 paragraph 35.10(c) and has ceased to revalue its property on an ongoing basis.

13. Commitments under operating leases

At 31 August 2019 the total of the Trust's future minimum lease payments under non-cancellable operating leases was:

	2019 £'000	2018 £'000
Amounts due within one year	37	59
Amounts due between one and five years	-	37
Amounts due after five years	-	-
	37	96

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

NOTES TO FINANCIAL STATEMENTS

14. Results of trading subsidiaries

	Shares in group undertakings £	Impairment £	Net Investment £
At 31 August 2019	8	8	-
	<u>8</u>	<u>8</u>	<u>-</u>

The shares in group undertakings represent 100% of the equity share capital of:

	Nature of activity	Aggregate amount of capital and reserves at 31 August 2018 £	Profit for the year £
L F Enterprises Limited (registered in England and Wales)	Involve community of Derby in the use of facilities at Landau Forte Academy Derby	-	-
Landau Forte Enterprises Tamworth Limited (registered in England and Wales)	Involve community of Tamworth in the use of facilities at Landau Forte Academy Tamworth	-	-
Landau Forte Enterprises Tamworth Sixth Form Limited (registered in England and Wales)	Involve community of Tamworth in the use of facilities at Landau Forte Academy Tamworth	-	-
Landau Forte Enterprises QEEMS Limited (registered in England and Wales)	Involve community of Tamworth in the use of facilities at Landau Forte Academy Tamworth	-	-

LF Enterprises Limited	2019 £'000	2018 £'000
Turnover	600	552
Cost of sales	(385)	(432)
Gross profit	<u>215</u>	<u>90</u>
Administrative expenses	(33)	(27)
Operating result	<u>182</u>	<u>63</u>
Taxation	(36)	(13)
Profit on ordinary activities after tax	<u>146</u>	<u>50</u>
Gift Aid payable	(182)	(63)
Current tax credit	36	13
Retained profit	<u>-</u>	<u>-</u>
	<u>2019</u>	<u>2018</u>
	£	£
Assets	106	106
Liabilities	(106)	(106)
	<u>-</u>	<u>-</u>

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

NOTES TO FINANCIAL STATEMENTS

	2019 £'000	2018 £'000
Landau Forte Enterprises Tamworth Limited		
Turnover	122	135
Cost of sales	(51)	(18)
Gross profit	71	116
Administrative expenses	(25)	(41)
Operating result	46	75
Taxation	(9)	(15)
Profit on ordinary activities after tax	37	60
Gift Aid payable	(46)	(75)
Current tax credit	9	15
Retained profit	-	-

	2019 £	2018 £
Assets	2	2
Liabilities	(2)	(2)
	-	-

	2019 £'000	2018 £'000
Landau Forte Enterprises Tamworth Sixth Form Limited		
Turnover	122	154
Cost of sales	(20)	(28)
Gross profit	102	126
Administrative expenses	(69)	(103)
Operating result	33	23
Taxation	(7)	(5)
Profit on ordinary activities after tax	26	18
Gift Aid payable	(33)	(23)
Current tax credit	7	5
Retained profit	-	-

	2019 £	2018 £
Assets	2	2
Liabilities	(2)	(2)
	-	-

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

NOTES TO FINANCIAL STATEMENTS

Landau Forte Enterprises QEMS Limited	2019 £'000	2018 £'000
Turnover	68	45
Cost of sales	(32)	(12)
Gross profit	37	33
Administrative expenses	(32)	(32)
Operating result	5	1
Taxation	(1)	(0)
Profit on ordinary activities after tax	4	1
Gift Aid payable	(5)	(1)
Current tax credit	1	0
Retained profit	-	-
	2019 £	2018 £
Assets	2	2
Liabilities	(2)	(2)
	-	-

15. Stocks

	Group		Trust	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Restaurant	21	24	21	24
Stationary	20	21	20	21
Goods for resale	28	23	21	19
	69	68	62	64

16. Debtors

	Group		Trust	
	2019 £'000	2018 £'000	2019 £'000	2018 £'000
Trade debtors	94	57	6	11
Amounts due from subsidiary companies	-	-	152	(40)
Other debtors	770	896	581	819
Prepayments and accrued income	751	670	751	670
	1,615	1,623	1,490	1,460

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

NOTES TO FINANCIAL STATEMENTS

17. Creditors: Amounts falling due within one year

	Group		Trust	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
ESFA	206	248	206	248
Loans	74	72	74	72
Trade creditors	499	233	499	233
Taxation and social security	-	-	-	-
Accruals and other creditors	1,726	1,340	1,357	911
	<u>2,505</u>	<u>1,893</u>	<u>2,136</u>	<u>1,464</u>

18. Creditors: Amounts falling due after one year

	Group		Trust	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Loans	387	475	387	475
	<u>387</u>	<u>475</u>	<u>387</u>	<u>475</u>

The loans comprise an unsecured Salix interest free loan which is repayable in instalments and will end in September 2019, and an unsecured DfE Capital Loan granted as part of a pilot scheme for the refurbishment of LFATQ swimming pool which is repayable in instalments and will end in October 2027. When fully received the loan will total £511,000, the interest rate is 1.83%.

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

NOTES TO FINANCIAL STATEMENTS

19. Funds: Group

	Balance at 31 August 2018 £'000	Income £'000	Expenditure £'000	Other movements £'000	Balance at 31 August 2019 £'000
Restricted fixed assets funds					
Purchased capital	8,843	-	(920)	510	8,433
Capital grants	3	619	-	(510)	112
Private sector capital sponsorship	958	-	-	-	958
Donated assets	37,226	-	(1,366)	-	35,860
	<u>47,030</u>	<u>619</u>	<u>(2,287)</u>	<u>-</u>	<u>45,362</u>
Restricted general funds					
Williams bursary	50	-	(3)	-	47
Restricted general	-	20,212	(22,141)	1,929	-
Pension reserve	(5,627)	-	(5,483)	-	(11,110)
Total restricted funds	<u>41,453</u>	<u>20,831</u>	<u>(29,914)</u>	<u>1,929</u>	<u>34,299</u>
Unrestricted funds					
Major property repair fund	470	-	-	4	474
Unrestricted fund	-	2,580	(647)	(1,933)	-
Premises revaluation reserve	11,959	-	(265)	-	11,694
Total unrestricted funds	<u>12,429</u>	<u>2,580</u>	<u>(912)</u>	<u>(1,929)</u>	<u>12,168</u>
Total funds	<u>53,883</u>	<u>23,410</u>	<u>(30,826)</u>	<u>-</u>	<u>46,462</u>

Restricted funds represent funds received towards the general running of the Trust, capital expenditure and student bursaries. These funds are defined in the accounting policies in note 1.

The Other Movements column represents the amount transferred from un-restricted reserves.

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

NOTES TO FINANCIAL STATEMENTS

Comparative Information in respect of the preceeding period is as follows:

	Balance at 31 August 2017 £'000	Income £'000	Expenditure £'000	Other movements £'000	Balance at 31 August 2018 £'000
Restricted fixed assets funds					
Purchased capital	9,235	-	(829)	437	8,843
Capital grants	(56)	496	-	(437)	3
Private sector capital sponsorship	958	-	-	-	958
Donated assets	38,592	-	(1,366)	-	37,226
	<u>48,729</u>	<u>496</u>	<u>(2,195)</u>	<u>-</u>	<u>47,030</u>
Restricted general funds					
Williams bursary	53	-	(3)	-	50
Restricted general	-	19,773	(21,468)	1,695	-
Pension reserve	(7,079)	2,545	(1,093)	-	(5,627)
Total restricted funds	<u>41,703</u>	<u>22,814</u>	<u>(24,759)</u>	<u>1,695</u>	<u>41,453</u>
Unrestricted funds					
Major property repair fund	498	-	-	(33)	464
Unrestricted fund	-	2,312	(650)	(1,662)	-
Premises revaluation reserve	12,215	-	(256)	-	11,959
Total unrestricted funds	<u>12,713</u>	<u>2,312</u>	<u>(906)</u>	<u>(1,696)</u>	<u>12,424</u>
Total funds	<u>54,416</u>	<u>25,126</u>	<u>(25,665)</u>	<u>(1)</u>	<u>53,877</u>

Restricted funds represent funds received towards the general running of the Trust, capital expenditure and student bursaries. These funds are defined in the accounting policies in note 1.

The Other Movements column represents the amount transferred from un-restricted reserves.

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

NOTES TO FINANCIAL STATEMENTS

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

	Balance at 31 August 2017 £'000	Income £'000	Expenditure £'000	Other movements £'000	Balance at 31 August 2019 £'000
Restricted fixed assets funds					
Purchased capital	9,235	-	(1,749)	947	8,433
Capital grants	(56)	1,115	-	(947)	112
Private sector capital sponsorship	958	-	-	-	958
Donated assets	38,592	-	(2,733)	-	35,859
	<u>48,729</u>	<u>1,115</u>	<u>(4,482)</u>	<u>-</u>	<u>45,362</u>
Restricted general funds					
Williams bursary	53	-	(6)	-	47
Restricted general	-	39,979	(43,603)	3,624	-
Pension reserve	(7,079)	2,545	(6,576)	-	(11,110)
Total restricted funds	<u>41,703</u>	<u>43,639</u>	<u>(54,667)</u>	<u>3,624</u>	<u>34,299</u>
Unrestricted funds					
Major property repair fund	498	-	-	(29)	469
Unrestricted fund	-	4,891	(1,297)	(3,595)	(0)
Premises revaluation reserve	12,215	-	(521)	-	11,694
Total unrestricted funds	<u>13,271</u>	<u>4,891</u>	<u>(1,818)</u>	<u>(3,624)</u>	<u>12,163</u>
Total funds	<u>54,974</u>	<u>48,531</u>	<u>(56,485)</u>	<u>-</u>	<u>46,462</u>

Restricted funds represent funds received towards the general running of the Trust, capital expenditure and student bursaries. These funds are defined in the accounting policies in note 1.

The Other Movements column represents the amount transferred from un-restricted reserves.

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

NOTES TO FINANCIAL STATEMENTS

20. Funds: Trust

	Balance at 31 August 2018 £'000	Income £'000	Expenditure £'000	Other movements £'000	Balance at 31 August 2019 £'000
Restricted fixed assets funds					
Purchased capital	8,843	-	(920)	510	8,433
Capital grants	3	619	-	(510)	112
Private sector capital sponsorship	958	-	-	-	958
Donated assets	37,226	-	(1,366)	-	35,860
	<u>47,030</u>	<u>619</u>	<u>(2,287)</u>	<u>-</u>	<u>45,362</u>
Restricted general funds					
Williams bursary	50	-	(3)	-	47
Restricted general	-	20,212	(22,141)	1,929	-
Pension reserve	(5,627)	-	(5,483)	-	(11,110)
Total restricted funds	<u>41,453</u>	<u>20,831</u>	<u>(29,914)</u>	<u>1,929</u>	<u>34,299</u>
Unrestricted funds					
Major property repair fund	464	-	-	4	468
Endowment fund	-	-	-	-	-
Unrestricted fund	-	1,933	-	(1,933)	-
Premises revaluation reserve	11,959	-	(265)	-	11,694
Total unrestricted funds	<u>12,423</u>	<u>1,933</u>	<u>(265)</u>	<u>(1,929)</u>	<u>12,162</u>
Total funds	<u>53,876</u>	<u>22,764</u>	<u>(30,179)</u>	<u>-</u>	<u>46,461</u>

Restricted funds represent funds received towards the general running of the Trust, capital expenditure and student bursaries. These funds are defined in the accounting policies in note 1.

The Other Movements column represents the amount transferred from un-restricted reserves.

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

NOTES TO FINANCIAL STATEMENTS

Comparative Information in respect of the preceeding period is as follows:

	Balance at 31 August 2017 £'000	Income £'000	Expenditure £'000	Other movements £'000	Balance at 31 August 2018 £'000
Restricted fixed assets funds					
Purchased capital	9,235	-	(829)	437	8,843
Capital grants	(56)	496	-	(437)	3
Private sector capital sponsorship	958	-	-	-	958
Donated assets	38,592	-	(1,366)	-	37,226
	<u>48,729</u>	<u>496</u>	<u>(2,195)</u>	<u>-</u>	<u>47,030</u>
Restricted general funds					
Williams bursary	53	-	(3)	-	50
Restricted general	-	19,773	(21,468)	1,695	-
Pension reserve	(7,079)	2,545	(1,093)	-	(5,627)
Total restricted funds	<u>41,703</u>	<u>22,814</u>	<u>(24,759)</u>	<u>1,695</u>	<u>41,453</u>
Unrestricted funds					
Major property repair fund	498	-	-	(33)	464
Unrestricted fund	-	1,662	-	(1,662)	-
Premises revaluation reserve	12,215	-	(256)	-	11,959
Total unrestricted funds	<u>12,713</u>	<u>1,662</u>	<u>(256)</u>	<u>(1,696)</u>	<u>12,424</u>
Total funds	<u>54,416</u>	<u>24,476</u>	<u>(25,015)</u>	<u>(1)</u>	<u>53,877</u>

Restricted funds represent funds received towards the general running of the Trust, capital expenditure and student bursaries. These funds are defined in the accounting policies in note 1.

The Other Movements column represents the amount transferred from un-restricted reserves.

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

NOTES TO FINANCIAL STATEMENTS

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

	Balance at 31 August 2017 £'000	Income £'000	Expenditure £'000	Other movements £'000	Balance at 31 August 2019 £'000
Restricted fixed assets funds					
Purchased capital	9,235	-	(1,749)	947	8,433
Capital grants	(56)	1,115	-	(947)	112
Private sector capital sponsorship	958	-	-	-	958
Donated assets	38,592	-	(2,733)	-	35,859
	<u>48,729</u>	<u>1,115</u>	<u>(4,482)</u>	<u>-</u>	<u>45,362</u>
Restricted general funds					
Williams bursary	53	-	(6)	-	47
Restricted general	-	39,979	(43,603)	3,624	-
Pension reserve	(7,079)	2,545	(6,576)	-	(11,110)
	<u>41,703</u>	<u>43,639</u>	<u>(54,667)</u>	<u>3,624</u>	<u>34,299</u>
Total restricted funds					
	<u>41,703</u>	<u>43,639</u>	<u>(54,667)</u>	<u>3,624</u>	<u>34,299</u>
Unrestricted funds					
Major property repair fund	498	-	-	(29)	469
Unrestricted fund	-	3,595	-	(3,595)	-
Premises revaluation reserve	12,215	-	(521)	-	11,694
	<u>13,271</u>	<u>3,595</u>	<u>(521)</u>	<u>(3,624)</u>	<u>12,164</u>
Total unrestricted funds					
	<u>13,271</u>	<u>3,595</u>	<u>(521)</u>	<u>(3,624)</u>	<u>12,164</u>
Total funds					
	<u>54,974</u>	<u>47,234</u>	<u>(55,188)</u>	<u>-</u>	<u>46,463</u>

Restricted funds represent funds received towards the general running of the Trust, capital expenditure and student bursaries. These funds are defined in the accounting policies in note 1.

The Other Movements column represents the amount transferred from un-restricted reserves.

21. Analysis of net assets between funds

	Unrestricted funds £'000	Restricted general funds £'000	Restricted capital funds £'000	Total £'000
Fixed assets	11,656	-	45,777	57,433
Net current assets	829	48	(352)	525
Long term liabilities	(387)	(11,110)	-	(11,497)
	<u>12,098</u>	<u>(11,062)</u>	<u>45,425</u>	<u>46,462</u>

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

NOTES TO FINANCIAL STATEMENTS

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

	Unrestricted funds £'000	Restricted general funds £'000	Restricted capital funds £'000	Total £'000
Fixed assets	11,944	-	47,280	59,224
Net current assets	950	51	(240)	761
Long term liabilities	(475)	(5,627)	-	(6,102)
	<u>12,419</u>	<u>(5,576)</u>	<u>47,040</u>	<u>53,883</u>

22. Analysis of Academies by Fund Balance

Fund balances at 31 August 2019 were allocated as follows:

	2019 £'000	2018 £'000
Landau Forte College Derby	-	-
Landau Forte Academy Amington	-	-
Landau Forte Academy Tamworth Sixth Form	-	-
Landau Forte Academy QEMS	-	-
Landau Forte Academy Moorhead	-	-
Landau Forte Academy Greenacres	-	-
Central Services	-	-
	<u>-</u>	<u>-</u>
Restricted fixed assets fund	45,362	47,030
Williams bursary fund	47	50
Pension reserve	(11,110)	(5,627)
Revaluation reserve	11,694	11,959
Designated unrestricted funds	468	464
Total	<u>46,461</u>	<u>53,876</u>

Unrestricted reserves have been allocated to an Endowment Fund to provide for future major capital and specific educational projects for the furtherance of the charitable aims of the Trust. The Directors have recognised that the nature of annual income grant funding does not allow for the accumulation of funds for major capital projects. It is hoped that the establishment of an endowment fund will enable the Trust to undertake specific capital projects.

As part of their on-going requirement to mitigate risk, the Directors have made prudent provision for anticipated specific major property repair expenditure likely to occur within the forthcoming 10 years by allocating reserves to a major property repair fund.

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

NOTES TO FINANCIAL STATEMENTS

Analysis of Academies by Cost

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

	Teaching and Educational Support Staff Costs £'000	Other Support Staff Costs £'000	Educational Supplies £'000	Other Costs £'000	2019 Total £'000	2018 Total £'000
Landau Forte College Derby	3,422	1,759	684	434	6,299	6,395
Landau Forte Academy Amington	2,439	1,350	668	607	5,063	4,645
Landau Forte Academy Tamworth Sixth Form	644	412	397	(460)	993	1,909
Landau Forte Academy QEMS	2,690	1,062	326	553	4,632	3,928
Landau Forte Academy Moorhead	606	511	106	390	1,614	1,446
Landau Forte Academy Greenacres	935	395	84	59	1,473	1,508
Central Services	240	527	114	(47)	834	1,163
Academy Trust	10,976	6,017	2,380	1,535	20,908	20,994

23. Contingent Liabilities

In accordance with the Trust funding agreement, and during the agreement's lifetime, if any asset is sold or disposed of by other means, for which a capital grant was originally received, the Trust shall if it does not re-invest the proceeds, repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the funding agreement, whether as a result of the Secretary of State or the Trust serving notice, the Trust shall repay to the Secretary of State and the First and Second Sponsors, sums determined by reference to:

- The value at that time of the Trust's site and premises and other assets held for the purposes of the Trust; and
- The extent to which expenditure incurred in providing these assets was met by payments by the Secretary of State and the First and Second Sponsors, under the Funding Agreement.

No further liabilities exist at the year end.

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

24. Notes statement of cash flows

a) Reconciliation of operating surplus to net cash inflow from operating

	Group		Trust	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Net income/(expenditure) for the reporting period	(2,620)	(3,076)	(2,620)	(3,076)
Adjusted for:				
- Interest receivable (Note 4)	(14)	(9)	(14)	(9)
- Capital grants	(619)	(457)	(619)	(457)
- Depreciation (Note 12)	2,499	2,449	2,499	2,449
- (Increase)/decrease in stocks	(1)	1	2	1
- (Increase)/decrease in debtors	32	(537)	(5)	(354)
- Increase/(decrease) in creditors	500	717	559	370
- Defined benefit pension scheme finance cost	1,615	1,868	1,615	1,868
- Defined benefit pension scheme cost less contributions payable	(793)	(775)	(793)	(775)
Net cash provided by/(used in) operating activities	600	181	625	17

b) Cash flows from financing activities

	Group		Trust	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Repayment of loan	(86)	(24)	(86)	(24)
Payment of Williams bursary	(3)	(3)	(3)	(3)
Net cash inflow from financing	(89)	(27)	(89)	(27)

c) Cash flows from investing activities

	Group		Trust	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Dividends, interest and rents from investments	14	9	14	9
Proceeds from sale of tangible fixed assets	-	-	-	-
Purchase of tangible fixed assets (Note 5)	(784)	(691)	(784)	(691)
Capital grants (Note 5)	619	457	619	457
Net cash provided by/(used in) investing activities	(151)	(225)	(151)	(225)

d) Analysis of cash and cash equivalents

	Group		Trust	
	At 31 August 2019	At 31 August 2018	At 31 August 2019	At 31 August 2018
	£'000	£'000	£'000	£'000
Cash in hand and at bank	473	155	236	(107)
Notice deposits (less than 3 months)	849	809	849	809
Total cash and cash equivalents	1,322	964	1,085	702

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

NOTES TO FINANCIAL STATEMENTS

25. Teaching School & SCITT Trading Account

	2018/19 £000	2017/18 £000
Income		
Core Grant	32	40
Other Grants	228	230
SCITT Fees	140	113
Other Income	12	16
Total Income	412	399
Expenditure		
Direct Costs		
Staff costs	(166)	(117)
Staff development	-	(1)
Other direct costs	(197)	(263)
	(363)	(381)
Other Costs		
Support staff costs	-	(25)
Share of Governance costs	-	(3)
	-	(28)
Total Expenditure	(363)	(409)
Surplus/(Deficit) from all sources	49	(10)

26. Central Services

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

- Educational support services;
- ICT services;
- Finance services;
- Human resources;
- Marketing;
- Project management;
- Legal services; and
- Other services as arising.

The Trust charges for these services on the basis of a flat percentage of budgeted income (5.91%) (2018-19: 5.59%). The actual amounts charged during the year were as follows:

Management Charge	2019 £'000	2018 £'000
Landau Forte College Derby	347	334
Landau Forte Academy Amington	248	222
Landau Forte Academy Tamworth Sixth Form	146	138
Landau Forte Academy QEMS	194	183
Landau Forte Academy Moorhead	63	66
Landau Forte Academy Greenacres	80	74
	1,078	1,017

LANDAU FORTE CHARITABLE TRUST

Year Ended 31 August 2019

NOTES TO FINANCIAL STATEMENTS

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 the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

Expenditure:

L Charlesworth, Trustee, was engaged to Chair the Interim Executive Board as LFADM from June 2018. L Charlesworth did not take part in the decision, which was agreed by the remaining Trustees. The arrangement was notified to the Regional Schools Commissioner. Payment totalled £27,507 in 2018/19 (2017/18 £3,575). Services are provided at no more than cost and are supported by a statement of assurance confirming this.

Other:

T M Bell, Trustee, is also an appointed councillor at Warwickshire County Council. Due to the nature of the related party this is acceptable, Cllr Bell is one councillor amongst many. As such, she is not in a position influence the council's decisions single-handedly, and therefore transactions have not been disclosed.

J Ward, who is a Governor at the Trust is also a volunteer careers and enterprise advisor who provides advice to students at LFATSF. Services are provided at no cost to the Trust.

28 Post Balance Sheet Events

None.