

HEALTHY LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2017



Haines Watts

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

HEALTHY LEARNING TRUST

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HEALTHY LEARNING TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Julie Hazeldine *

June Reilly (Resigned 1 September 2017)

Dave Richardson (Resigned 1 September 2017)

Elizabeth Steel * (Chair)

Tony Field * (Vice chair)

Kate Woods (Resigned 8 February 2017)

Heidi Lockett (Resigned 30 April 2017)

Anthony Burke *

Helen Wiles (Resigned 1 September 2017)

Mark Ormiston (Resigned 3 April 2017)

Phillip Horridge (Resigned 1 May 2017)

Simon Knott (Appointed 4 January 2017 and resigned 1 September 2017)

Graeme Dymond (Appointed 4 January 2017 and resigned 1 September 2017)

Tara Green (Resigned 1 September 2017)

Leo Pyrah

Bill Watkin (Appointed 1 September 2017)

John Byrne (Appointed 1 September 2017)

Ged Byrne (Appointed 1 September 2017)

Damian Dallimore (Appointed 1 September 2017)

Natalie Harling (Appointed 1 September 2017)

Alison Oliver (Appointed 1 September 2017)

* Member of the Business and Finance Committee

Members

Elizabeth Steel * (Chair of Trustees)

Ged Byrne

John Byrne

Bernie Jones

Tim Gartside

Senior management team

- Headteacher	Julie Hazeldine
- Deputy Headteacher, Culture, Ethos & Safeguarding	Dorothy Trussell
- Deputy Headteacher, Standards, progress & Achievement	Sonia Schofield
- Assistant Headteacher, Curriculum	Lee Searle
- Assistant Headteacher, Teaching & Learning	Danni Tedford
- Director of Business and Finance	Phil Deakin

Company registration number

07691820 (England and Wales)

Registered office

Flixton Road
Flixton
Manchester
M41 5DR

HEALTHY LEARNING TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor

Haines Watts
Bridge House
Ashley Road
Hale
Altrincham
WA14 2UT

Bankers

Lloyds Bank
223 Finney Lane
Heald Green
Cheshire
SK8 3PY

Solicitors

Browne Jacobson LLP
44 Castle Gate
Nottingham
Nottinghamshire
NG1 7BG

HEALTHY LEARNING TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2017

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2016 to 31 August 2017. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates an academy for pupils aged 11 to 16 serving a catchment area in North Trafford. It has a pupil capacity of 900 and had a roll of 910 in the school census on 6 October 2017.

The trust became a multi academy trust on 1 September 2017, but currently only operates with a single academy, Flixton Girls' School.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee (company number 07691820) and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The trustees of Healthy Learning Trust are also the directors of the charitable company for the purposes of company law.

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

The registered office of the academy trust is Flixton Road, Flixton, Manchester, M41 5DR.

The company changed its name from 'Flixton Girls' School Academy Trust' to 'Healthy Learning Trust' on 22 August 2017.

Members' liability

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

Trustees' indemnities

In accordance with normal commercial practice, the academy has purchased trustees' indemnity insurance to protect from claims arising from negligence, errors or omissions occurring whilst on academy business.

Method of recruitment and appointment or election of trustees

Trustees are recruited in a number of ways. For community trustees this is often through recommendation or through existing business links. Parent and staff trustees are elected through a balloting process with the relevant groups. Appointments are ratified by the full board of trustees.

Policies and procedures adopted for the induction and training of trustees

Newly appointed trustees meet initially with the headteacher who introduces them to the school and explains the responsibilities. An induction pack is provided and new trustees are directed to Trafford Council Governor Services for support and training information. The academy has an annual service level agreement with Trafford Council to provide training for trustees. A varied range of training activities are on offer and attendance is monitored at each meeting of the full board of trustees. Additional bespoke training may be provided in house and through subcommittee meetings. Trustees receive internal information and specific presentations from senior leaders and key staff. FGS is also a registered member of the National Governors' Association.

Organisational structure

The governance of the trust is defined in the memorandum and articles of association together with the funding agreement with the Department for Education.

All trustees are members of the full board of trustees. In addition, trustees are members of sub committees which report to the full board of trustees.

HEALTHY LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

The board of trustees meet each school term to receive reports from the headteacher, its sub-committees and manage its strategic objectives.

There are three sub committees:

- **Business & Finance**
Committee purpose: To support the board of trustees in the achievement of the academy's objectives through sound planning and management and effective use and safeguarding of the academy's financial and other resources. To monitor and review related policies.
- **Standards & Achievement**
Committee purpose: To provide guidance to the board of trustees and the strategic leadership team on all matters relating to the curriculum, teaching and learning and student academic progress and achievement. To monitor and review related policies.
- **Culture & Ethos**
Committee purpose: To provide guidance to the board of trustees and the strategic leadership team on all matters relating to safeguarding, special educational needs, student attendance and behaviour. To monitor and review related policies.

The day to day management is delegated to the headteacher who has appointed a strategic leadership team, which meets weekly to advise the headteacher on her day to day responsibilities.

The academy has a total of 115 staff. There are 63 teaching staff and 52 support staff including teaching assistants and catering staff. There are a number heads of department and subject leaders with additional TLR responsibilities.

Arrangements for setting pay and remuneration of key management personnel

Headteacher annual review:

When reviewing the headteacher's salary, the performance review trustees will seek to agree performance objectives relating to:

- school leadership and management;
- professional practice; and
- pupil progress.

In default of agreement the performance review trustees will, exceptionally, set such performance objectives.

The performance review trustees will ensure that the performance of the headteacher is reviewed on or after 1 September every year in the light of the previously set or agreed performance objectives. It may award one or two points for sustained high quality of overall performance. Points are effective from 1 September but it will often be more practicable to carry out the review later in the autumn term and backdate the point(s). Performance point(s) will not normally be awarded with effect from dates other than 1 September. If an ISR or pay range is changed with effect from another date, points may only be awarded where necessary to ensure that the leadership group member's pay point falls within the new range or ISR. A salary statement will set out the basis on which the point has been backdated, and the criteria by which the salary will be reviewed in the future.

In determining the salary of the headteacher, the performance review trustees will have regard to the sustained high quality of performance taking account of such performance objectives. When reviewing the performance of the headteacher, the performance review trustees should take full account of the clarification of the application of criteria for leadership progression as follows:

HEALTHY LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

- Those on the leadership pay spine play a critical role in the life of the school. They inspire confidence in those around them and work with others to create a strategic vision which motivates pupils and staff. They take the lead in enhancing standards of teaching and learning, and value enthusiasm and innovation in others. They have the confidence and ability to make management and organisational decisions and ensure equity, access and entitlement to learning. To achieve progression, the School Teachers' Pay and Conditions Document (STPCD) requires individuals on the leadership spine to have demonstrated high quality performance. To be fair and transparent, the performance review trustees' judgments must be properly rooted in evidence and there must have been a successful review of overall performance.

A successful performance review, as prescribed by the appraisal regulations, will involve a performance management process of:

- performance objectives; and
- other evidence.

To ensure that there has been high quality performance, the performance review will need to assess that the headteacher has grown professionally by developing their leadership. Save to the extent that a movement up the spine is necessary to ensure that the salary of the headteacher equals the minimum of his/her pay range, salary may be increased by one or two points in the course of a single pay determination.

The members of the performance review trustees must seek advice from the appointed external adviser when setting objectives and agreeing the performance of the headteacher.

Deputy headteacher and assistant headteacher appraisal review:

When reviewing the deputy headteacher's and assistant headteacher's salaries, the headteacher will seek to agree performance objectives relating to:

- school leadership and management;
- professional practice; and
- pupil progress.

In default of agreement the headteacher will, exceptionally, set such performance objectives. The headteacher will ensure that the performance of leadership group members is reviewed on or after 1 September every year in the light of the previously set or agreed performance objectives. It may award one or two points for sustained high quality of overall performance. Points are effective from 1 September but it will often be more practicable to carry out the review later in the autumn term and backdate the point(s).

Performance point(s) will not normally be awarded with effect from dates other than 1 September. If an ISR or pay range is changed with effect from another date, points may only be awarded where necessary to ensure that the leadership group member's pay point falls within the new range or ISR. A salary statement will set out the basis on which the point has been backdated, and the criteria by which the salary will be reviewed in the future.

In determining the salary of the deputy headteacher and assistant headteacher, the headteacher will have regard to the sustained high quality of performance taking account of such performance objectives.

When reviewing the performance of members of the leadership group the headteacher should take full account of the clarification of the application of criteria for leadership progression as follows:

- Those on the leadership pay spine play a critical role in the life of the school. They inspire confidence in those around them and work with others to create a strategic vision which motivates pupils and staff. They take the lead in enhancing standards of teaching and learning, and value enthusiasm and innovation in others. They have the confidence and ability to make management and organisational decisions and ensure equity, access and entitlement to learning. To achieve progression, the School Teachers' Pay and Conditions Document (STPCD) requires individuals on the leadership spine to have demonstrated high quality performance. To be fair and transparent, the headteacher's judgments must be properly rooted in evidence and there must have been a successful review of overall performance.

HEALTHY LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

A successful performance review, as prescribed by the appraisal regulations, will involve a performance management process of:

- performance objectives;
- classroom observation; and
- other evidence.

To ensure that there has been high quality performance, the performance review will need to assess that the teacher has grown professionally by developing their leadership and (where relevant) teaching expertise.

Save to the extent that a movement up the spine is necessary to ensure that the salary of the deputy headteacher or assistant headteacher equals the minimum of his/her pay range, salary may be increased by one or two points in the course of a single pay determination. It is good practice for objectives to become progressively more challenging as the leadership group member gains experience and moves up his or her range. Where possible the headteacher should draw on information from the appraisal arrangements in place.

Related parties and other connected charities and organisations

The Sixth Form Partnership with Trafford College

The school works in partnership with Trafford College in delivering 6th form provision on site. Trafford College is the provider and has a formal agreement with FGS to deliver the provision.

The 6th form provides a range of Level 3 courses including A levels, as well as the opportunity to re-sit GCSE English and Maths where needed. The partnership first began in 2011 with a pilot group of school leavers who had become NEET after leaving in 2010. This partnership work has built year on year providing a safe learning environment and is now offering a comprehensive range of A Level courses. Results from 2017 showed 100% success rate, against a national average of 97%, with an average grade above that achieved for Trafford College as a whole.

Objectives and activities

The principal object and activity of the charitable company is the operation of Healthy Learning Trust to provide education for girls of all abilities between the ages of 11 – 16 with students in the 6th form generally aged 16 to 18 being provided by our FGS staff on FGS site through our business partnership with Trafford College.

FGS are specialists in girls' education providing a nurturing, supportive and challenging environment where girls excel. Exceptional opportunities allow girls to develop their individual characters and talents and to fulfil their dreams and aspirations. FGS welcomes girls of all abilities, interests and aptitudes.

Objects and aims

Our founding principles

At FGS we inspire girls to discover their talents and fulfil their potential through our founding principles of aspiration, empowerment and excellence. These principles are at the heart of life at FGS, ensuring that each individual is able to achieve her personal best.

Our values:

All in our school:

- Nurture ambition and recognise talent.
- Develop abilities.
- Respect and value each other.
- Celebrate diversity and achievement.
- Promote self-belief, confidence and a 'can-do' attitude.
- Promote healthy lifestyles and participation in physical activity.
- Provide stretch, challenge and support.
- Encourage reflection.
- Pursue and achieve excellence.

HEALTHY LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Objectives, strategies and activities

Aspiration, the first of our founding principles is vital in instilling in each girl the desire to be successful in her chosen field and to have high ambition for the future. Our highly qualified and dedicated staff team deliver rich experiences and opportunities that enable each girl to find and develop her talents. We work hard to ensure that she is aware of the opportunities available to her and that she is fully supported to achieve her goals. Our curriculum together with our wide and varied enrichment programme introduces girls to many new activities and is underpinned by a commitment to the development of self-confidence, self-worth and a love of learning.

Empowerment, the second of our founding principles, ensures that each girl is equipped with the skills and abilities she needs in order to achieve success. At FGS we believe that the empowerment of a young woman is the key to her future happiness and success, as well as to the future of our community and our society. We empower our girls through:

- a sporting ethos encouraging leadership, teamwork, coaching, perseverance and reflection;
- a creative approach to teaching and learning;
- an innovative curriculum that embraces learning beyond the classroom, providing challenge and adventure;
- the development of their own voice through active citizenship and leadership;
- access to inspirational role models;
- a wonderfully supportive house system that nurtures the girls through a family approach; and
- a truly robust and contemporary approach to all aspects of safeguarding. The happiness, health and well-being of our girls drive all that we do.

Excellence, our third founding principle, permeates our actions and drives ambition; the unlimited ability to do ordinary things extraordinarily well. Flixton girls are proud of their school and benefit from our deep commitment to traditional standards, courtesy and respect, leading to outstanding achievements and academic success.

At FGS we believe that each girl deserves the very best education and has limitless potential. We consider it our duty to help her to discover and fulfil that potential. We are privileged to guide each girl as we share with her most enjoyable, challenging and exciting journey of her life; from girl to woman.

Public benefit

The trust has a commitment to the community. Flixton girls are proud of their school and benefit from our deep commitment to traditional standards, courtesy and respect. Supporting the local community is part of the ethos at Flixton Girls' School. FGS want to play our part in helping the lives of others.

Trafford School Sports Partnership (SSP) is a collaboration between The Dean Trust Ashton on Mersey and Flixton Girls' School and has been working with and supporting schools in Trafford since 2005. Trafford SSP aims to ensure that all young people across the borough have access to High Quality PE and School Sport in order to help create and sustain a sporting legacy within schools across Trafford. Funding from the YST covers the majority staff costs for this provision.

The School Sport Partnership does this by working alongside schools to:

- Deliver the Government's national strategy for school sport – 'The School Games' across all schools at the local level in Trafford.
- Raise standards in Physical Education and offer guidance to all schools in Trafford to help them deliver and achieve High Quality PE.
- Deliver a comprehensive programme of competitive, non-competitive and fully inclusive school sport opportunities for all school aged children in Trafford presenting them with the opportunity to achieve and excel.
- Support primary schools in investing their Sport Premium funding to obtain maximum benefit to curriculum PE, extra-curricular school sport, their pupils and staff.
- Promote and encourage health and physical activity initiatives for all school aged children across the borough.

Trafford School Sport Partnership membership is open to all infant, junior and primary schools in Trafford and is continuously evolving to help meet and address the needs of these schools.

Throughout the year our students take part in a variety of charity events to help raise money for the local, national and international charities.

HEALTHY LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

The school is also a local and national leader in two main areas: Safeguarding and using sport to drive achievement. The headteacher and other key staff sit on a variety of committees and groups in order to share their expertise in these areas and as a result the school has a well-established national reputation for good practice and is regularly approached for advice and support from a variety of organisations including the Office of the Children's Commissioner and Greater Manchester Police.

In addition to this national work the school has been a strategic partner in the Teaching Schools Alliance with Altrincham Girls Grammar School. This work enables our staff to share their expertise and support other schools in the North West.

Strategic report

Ofsted 2014. : Outstanding Leadership and Management

"The school is very strongly led by a committed and passionate headteacher. The headteacher, with the effective support of other leaders, is highly effective in driving the school forward and raising standards."

Achievements and performance

FGS is a popular and oversubscribed 11 to 16 secondary modern school with a 6th form in the selective borough of Trafford with a waiting list for places in all year groups. The school numbers were affected by local demographics 6 years ago which impacts on the budget through the approach to lagged funding. The numbers of pupils now applying for places at the school, however, has increased beyond expectations and predictions with over 460 applications for 210 places in 2017.

The school has a deep understanding of strategic marketing rooted in high quality market research. This work has been pivotal in informing the targets and direction of the school and has resulted in FGS now being a school of first choice for numbers in excess of places available. More importantly the school is increasingly serving its immediate and very local community.

Exam results have risen steadily over the years. Using the latest method of measuring performance, the school delivered a Progress 8 score of +0.01 which is above national average for all schools, a measure which is all the more commendable considering the selective education system of the borough in which we sit.

Whole school attendance has risen steadily from 89% in 2007 to nearly 96% in 2017 with a steady and significant decrease in those 'persistently absent'.

Historical annual attendance figures	FGS	National
September 2016 – July 2017	95.9%	tbc
September 2015 – July 2016	95.1%	94.8%
September 2014 – July 2015	94.8%	94.7%
September 2013 – July 2014	95.1%	94.8%
September 2012 – July 2013	95.0%	94.1%

Improvements are significant and sustained over time with a fairly stable ability profile which is around the national average although with a smaller top end of ability due to grammar school selection.

FGS is a lead school for safeguarding and school standards both locally and further afield.

The school is outward facing and works with a number of national and local partners to provide a richness of opportunity and experience for the students including the Youth Sports Trust, The Outward Bound Trust, local universities, colleges and schools, and local business. The school is highly effective in multi-agency working for the benefit and safety of the students and is held in high regard across all areas of the Trafford local authority departments.

A confident and creative approach to strategic leadership and effective, beneficial partnerships such as the Sixth Form partnership with Trafford College has led to outstanding outcomes for the girls. This is testament to the values led and principled approach to school leadership alongside confident and robust governance.

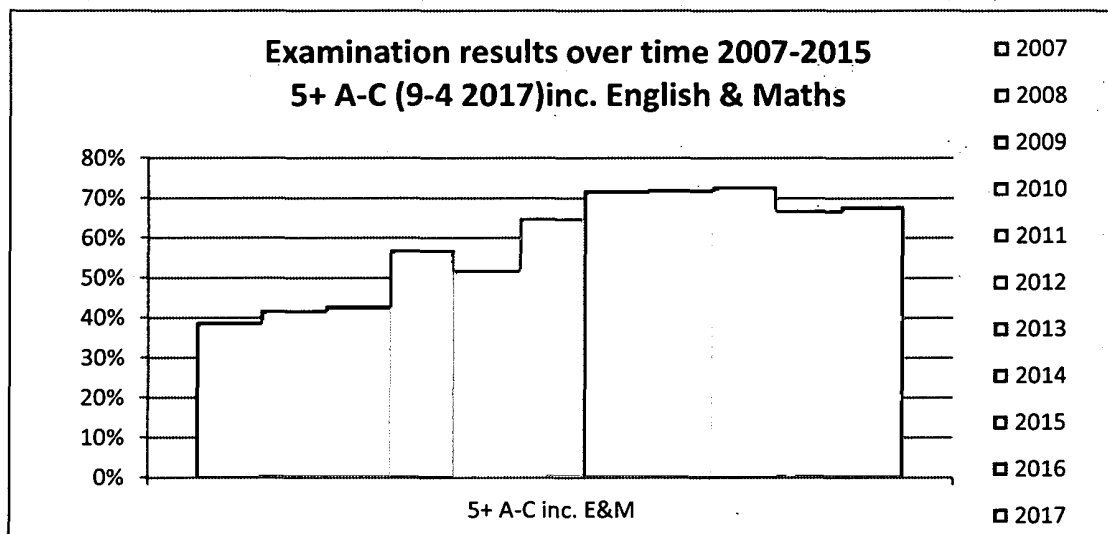
HEALTHY LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

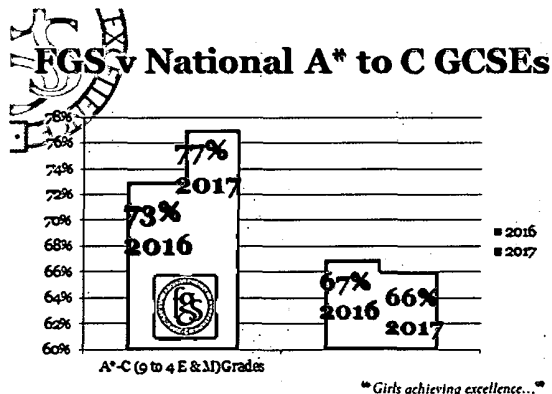
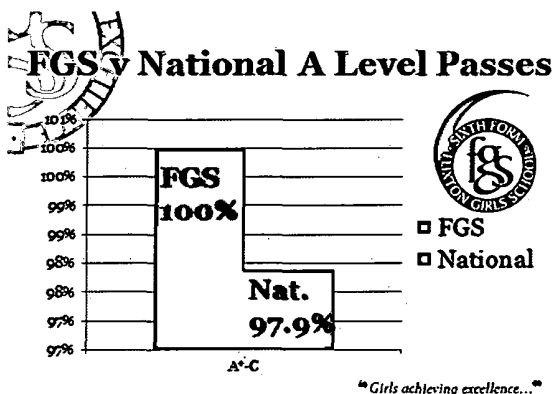
FOR THE YEAR ENDED 31 AUGUST 2017

At a time of great educational change both in the curriculum and in external examinations, FGS has taken a proactive and considered approach to curriculum development. The new 'Key Stage 3 'Curriculum for Excellence' Mastery Curriculum (assessment without levels) designed by the school through careful research involving other schools and extensive parental consultation, has been endorsed by the Chartered Institute of Educational Assessors 2015.

The school gained two SSAT Achievement Awards in 2015/2016 in recognition of being in the top 20% nationally for progress in 2015 and 5th nationally compared to similar schools in the national performance tables.



*Note in 2016 the method of calculating what counted toward the statistics changed



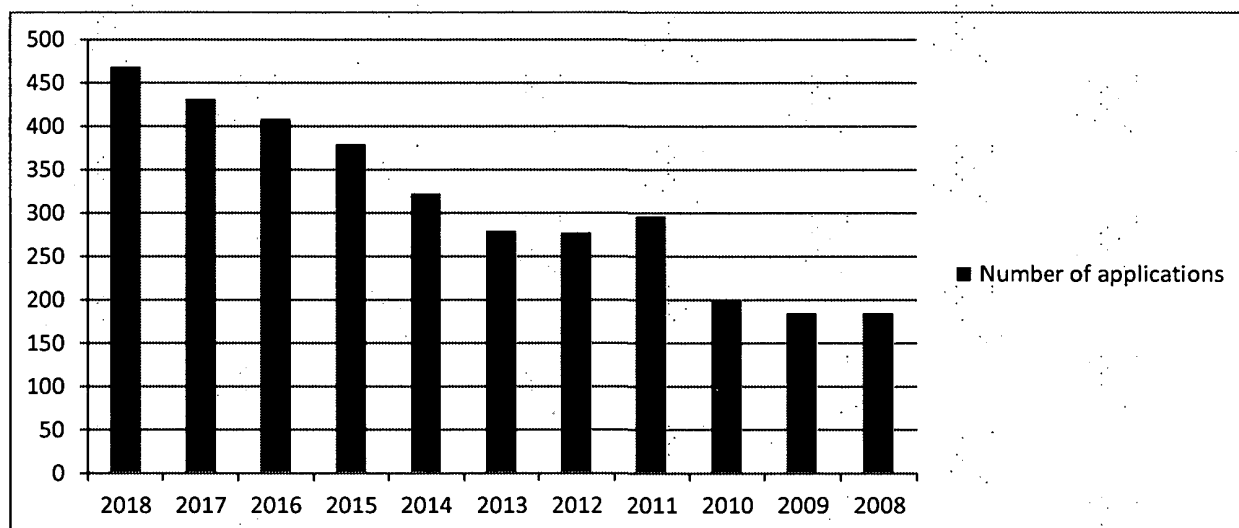
HEALTHY LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Pupil recruitment

The graph below shows the number of applications to FGS over the past 10 years.



Pupil numbers

Year	Census day 2014	Census day 2015	Census day 2016	Census day 2017
Year 7	186	192	180	208
Year 8	169	180	195	185
Year 9	145	159	179	192
Year 10	144	142	162	170
Year 11	171	141	138	155
Totals	815	814	854	910

Recruitment and retention of staff

The academy places importance on staff recruitment, retention and development in order to maintain the highest standards of teaching and learning.

Ensuring the recruitment and retention of high quality staff has been a strategic aim of the school and this has led to ever increasing standards. We are proud of our staff and students' achievements and we continue to make year on year improvements in every aspect of our work.

Key performance indicators

The balance available in unrestricted funds as at 31 August 2016 was £75,000. This balance has supported the expenditure during the period ending 31 August 2017 as the grant income was insufficient to cover the expenditure. The balance in unrestricted funds as at 31 August 2017 was £57,000.

Going concern

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

HEALTHY LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Financial review

The academy's main source of income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants are calculated based on pupil numbers recorded on the census in October of the previous academic year. The ESFA grants and the associated expenditure for the year ended 31 August 2017 are shown as restricted funds in the financial statements.

The academy also receives the Pupil Premium Grant from the ESFA, calculated based on students registered for free school meals both at present and during the last six years. Additional funding is received from Trafford Council to support the students identified as high needs with an education, health and care plan. Such grants are also shown in the financial statements as restricted income.

During the year ended 31 August 2017, the expenditure exceeded the grant income being supported by a surplus from the balances available as at 31 August 2016. The trustees examine the financial health formally every half term, reviewing performance against budgets and overall expenditure. Regular financial reports are produced for the Business and Finance Committee meetings and these are reported to the trustees' termly meetings.

The total amount of funds held as at 31 August 2017 is £6,729,000 which is made up of restricted fixed asset funds £7,597,000, pension deficit (£925,000) and unrestricted funds £57,000.

The principal financial management procedures and policies adopted by the academy are outlined in the 2016 Academies Financial Handbook and the Flixton Girls' School Financial Procedures Manual.

Reserves policy

The trustees review the reserve levels of the academy annually. This review encompasses the nature of income and expenditure stream, the need to match income with commitments and the nature of reserves. Although the trustees have determined that the appropriate level of free reserves should be equivalent to 1 month of the GAG, approximately £343,000, this has been restricted by the deficit in previous years and the funding reductions due to the falling pupil numbers and lagged funding. The considered reserves would create sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

The balance on restricted general funds (excluding pension reserve) at 31 August 2017 is zero plus the balance on unrestricted funds of £57,000. The total funds as at 31 August 2017 are £6,729,000.

Investment policy

The trustees aim is to spend the public monies for the direct education and benefit of students as soon as is prudent and to ensure that funds which the academy does not immediately need to cover anticipated expenditure, are invested in such a way as to maximise income but without risk by:

- Ensuring adequate cash balances are maintained in the current account to cover day to day working requirements.
- Taking professional investment advice about the most suitable investments.
- Seeking the maximum return consistent with commercial prudence when considering the investment of funds.
- Ensuring there is no risk of loss in capital value of any cash funds invested.
- Protecting the capital value of any invested funds against inflation.
- Reviewing the performance of investments.
- Optimising returns on invested funds.

Regular cash flow reports are to be prepared and monitored to ensure there are adequate liquid funds to meet all payroll related commitments and outstanding creditors that are due for payment.

Where the cash flow identifies a base level of cash funds that will be surplus to requirements these may be invested following approval from the Finance and Resources Committee. Approval must be signed off and recorded in the committee minutes.

In making decisions regarding where and how any surplus funds should be invested, due regard will be given to risk.

HEALTHY LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Principal risks and uncertainties

The Healthy Learning Trust is in the process of adopting a risk management policy and creating a risk register and risk review process. The objectives will be to determine an approach and, where it is considered necessary, put in place measures of control and mitigation in order to manage risk.

The principal risks are seen as the loss of reputation through falling standards, falling student rolls and failure to safeguard our students.

Key controls in place are:

- an organisational structure with defined roles, responsibilities and authorisation levels;
- terms of reference for the committees of the board of trustees;
- financial planning, budgeting and regular management reporting highlighting areas of financial risk;
- formal written and published policies for employees; and
- vetting procedures as required by law for the protection of the vulnerable.

The academy has recognised its share of the local government pension scheme (LGPS) assets and liabilities in accordance with Financial Reporting Standard No. 102. A deficit has been recognised and future contribution rates are adjusted so as to reduce this deficit.

Plans for future periods

Over the academic year 2016 to 2017 the governors and headteacher worked with the DfE to identify a very high quality board of trustees enabling FGS to convert to a multi academy trust on 1 September 2017. The governors recognised the need to secure a sustainable future for FGS through:

- a. the business efficiency of operating as a group of schools as a multi academy trust; and
- b. the ability to develop and retain talented staff as the lead school in the MAT.

The Healthy Learning Trust is a new multi academy trust (MAT) with Flixton Girls' School (FGS) being the lead school. The governors of FGS considered it of the utmost importance to collaborate with partners that will bring additional benefits and opportunities for our school and wider school communities. The networks, expertise and partnerships that will be made available to the school by forming a MAT that will go way beyond those offered in standard MAT models.

In August 2017 the trust changed its name to Healthy Learning Trust, with a view to becoming a multi academy trust (MAT). It achieved MAT status in September 2017. To this end the makeup and structure of the board and members has changed with a number of trustees staying on the board, with the remainder becoming part of the local governing board (LGB) for Flixton Girls' School. Currently there is some overlap between LGB membership and trust board membership but this is purely to facilitate a smooth transition. It is expected that over the year any person who is a member of both the trust board and the LGB will choose which body best fits their skill set and aspirations, and will resign from the other body accordingly. Healthy Learning Trust has plans to bring other schools into the trust over the coming years, from all phases of education, with a specific plan to bring on at least 2 other schools over the next 18 months.

Auditor

In so far as the trustees are aware:

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

This trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 14 December 2017 and signed on its behalf by:



Elizabeth Steel
Chair of trustees

HEALTHY LEARNING TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2017

Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the headteacher, 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 Healthy Learning Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the trustees' report and in the statement of trustees' responsibilities. The board of trustees met formally 5 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Elizabeth Steel	5	5
Tony Field	5	5
Julie Hazeldine	5	5
Anthony Burke	4	5
Graeme Dymond	2	2
Tara Green	5	5
Phillip Horridge	3	5
Simon Knott	2	2
Heidi Lockett	3	4
Mark Ormiston	2	3
Leo Pyrah	5	5
June Reilly	3	5
Dave Richardson	4	5
Helen Wiles	4	5
Kate Woods	0	2

The Business and Finance Committee met formally 5 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Tony Field	4	5
Julie Hazeldine	5	5
Anthony Burke	4	5
Liz Steel	4	5

Review of value for money

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

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

HEALTHY LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Teaching and learning

The quality of curriculum provision and the quality of teaching and learning is managed and reviewed by the strategic leadership team and trustees. We have continued to ensure that resources are directed where they are most needed and most effective in meeting educational requirements, for example by:

- Targeting resources in line with the whole school development plan priorities and costing these clearly.
- Implementing initiatives to ensure pupils' learning is challenging enough to meet the individual needs of the student.
- Fostering strong partnerships with our Teaching School.
- High quality CPD and a robust appraisal system.

The effectiveness of these strategies can be seen in improved pupil outcomes, staff observations and preparations for delivery of new curriculum content. Ongoing scrutiny from external consultants measures progress towards Ofsted targets, paying particular attention to marking and feedback.

Educational standards

Year on year record examination results have ensured that achievement and attainment is now well above the national average when the ability profile is only just in line with national. This shows that the school adds great value to the girls from their achievements at the point of entry to the school.

The school has sustained a ten year increase in external exam results bucking national trends.

The monitoring of standards

A range of approaches are used to allow the school to review its performance with a view to maximising standards. Key approaches include:

- The use of national data (Raise on-line, Ofsted Data dashboard & FFT ASPIRE) to benchmark performance and identify areas for further improvement.
- Annual surveys of parental opinion that provide a measure of performance and satisfaction.
- Analysis of attainment and progress performance data within school.
- Progress and attainment data produced through SISRA Analytics to support teaching and support staff.
- Dissemination of whole school tracking data and forum for challenging underperformance in the 'Raising Attainment Plan (RAP)' meetings held every 3 weeks for KS4 including heads of faculty and the SLT.
- Key stage 3 progress analysis (half termly) in the revised KS3 RAP meetings.
- Through the board of trustees sub committees. Through these links, trustees hold senior leaders to account.

Safety and well-being of students

The safety and well-being of students is kept under review to ensure that the school environment continues to be safe and conducive for learning. A further expansion of the student leadership programme has seen a vast number of leadership roles available to students in all year groups. Student views are represented through a mixture of House Councils and School Council. Annual surveys of student well-being are used to monitor perception and focus our efforts on areas of concern. Our evidence indicates that the vast majority of pupils are happy at the school.

Attendance data is in line with national averages and has risen steadily for seven years whilst the proportion of persistently absent students has steadily declined. Attendance is rigorously monitored through a whole school, structured approach.

A proactive approach to safeguarding ensures that students feel confident to disclose problems and our comprehensive training of staff at all levels ensures that the school can support effectively and work collaboratively with multi-agencies. The school has been nationally recognised by the Office of the Children's Commissioner for our work in preventing child sexual exploitation.

Purchasing

Procedures are in place for assessing needs and obtaining goods and services that provide best value in terms of suitability, time and cost. Procedures include: competitive tendering for goods and services along with procedures for accepting best value quotes and the purchasing of goods or services from known, reliable suppliers. The Business and Finance Committee monitors purchasing arrangements.

Services are examined to ensure value for money and alternatives explored to ensure they are fit for purpose and cost-effective.

HEALTHY LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Health and safety

The quality of the school environment is kept under constant review. Risk assessments are carried out in order to provide a safe working environment for students, staff and visitors. The professional services of a health and safety consultancy company are used to provide a review of school health and safety procedures and compliance with company law. Meetings of the Health and Safety Committee provide a framework for monitoring and review and the trustees' Business and Finance Committee is updated regularly.

A review of the health and safety systems was completed in 2016/17 to ensure they are robust and fit for purpose.

Resources and premises

Equipment, materials and services are deployed to provide students with resources that effectively support the quality of teaching and learning. The standard of the school environment is kept under regular review so as not to incur incremental expenditure through excessive wear and tear.

Staffing

Staffing levels are kept under constant review and are matched against the curriculum needs of the school.

Our curriculum is 'demand-led' providing a flexible approach to course uptake by students in key stages 4. When making staff appointments; the focus is on appointing the most suitable person for the role within set financial parameters. The timetable is designed to optimise efficiencies and deliver appropriate teaching group structures.

Community collaboration and business partnerships

We have continued to develop collaborative links with partner primary schools which have impacted greatly on the depth of working relationships and the number of students choosing to come to FGS.

Our strategic partnership with Altrincham Girls Grammar School and the Alliance for Learning Teaching Schools Alliance has continued. We have a number of staff as Specialist Leaders in Education and will be deployed in various schools.

Our Flixton School Sport Partnership continues to flourish as a business with 24 out of 30 schools buying into the package.

FGS continues to be part of many local and regional networks, such as the Urmston Partnership, local Strategic Sport Alliance and the Greater Manchester Headteacher Alliance to name but a few. Nationally we are involved in many networks too.

Benchmarking

Broad use of benchmarking data has been used to measure school performance against that of other similar schools. Data on academic performance includes Raise On-line, the Governor 'Data Dashboard', financial benchmarking reports and bespoke packages for monitoring standards.

Financial governance and oversight

Trustees receive reports produced by an independent internal auditor. This is in place to establish a clear understanding of the financial management and to ascertain if systems and controls in place are sufficiently robust.

Reviewing controls and managing risks

Following improved ESFA clarity on reporting procedures, the school has strengthened its internal audit procedures through the introduction of monthly accounts management. The headteacher and business and finance director meet ahead of the Business and Finance Committee meetings to review expenditure on the monthly accounts.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust'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 Healthy Learning Trust for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

HEALTHY LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Capacity to handle risk

The strategic leadership team is involved in the risk management process considering the falling pupil number rolls and other potential risks throughout the year. Staff are encouraged to manage risks in a way appropriate to their authority and duties.

The board of trustees regularly review the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The risk and control framework

The academy takes a proactive and comprehensive approach to risk management and the headteacher reports termly to the board of trustees on all identified risks including pupil numbers, health and safety and site and buildings as well as rigorous financial reporting.

The academy has enlisted the support of external consultants to procure maximum investment from the Capital Improvement Fund. This has permitted a significant investment in the buildings to ensure a safe and functional working environment.

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

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

The board of trustees has considered the need for a specific internal audit function and has decided to appoint HCSS as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. The internal auditor reports to the board of trustees, through the Business and Finance Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

Review of effectiveness

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

- the work of the internal auditor;
- the work of the external auditor;
- the work of the director of business and finance;
- the work of the leadership and management within the academy trust; and
- the work of the Business and Finance Committee.

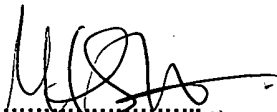
HEALTHY LEARNING TRUST


GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance committee and a plan to address weaknesses, if relevant, and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 14 December 2017 and signed on its behalf by:


.....
Elizabeth Steel
Chair of trustees


.....
Julie Hazeldine
Accounting officer

HEALTHY LEARNING TRUST

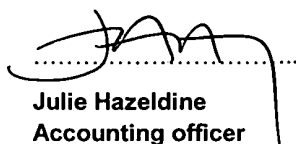
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2017

As accounting officer of Healthy Learning Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

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

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



Julie Hazeldine
Accounting officer

Dated: 14 December 2017

HEALTHY LEARNING TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2017

The trustees (who also act as governors for Healthy Learning Trust and are also the directors of Healthy Learning Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the trustees are required to:


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

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

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

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

Approved by order of the board of trustees on 14 December 2017 and signed on its behalf by:


Elizabeth Steel
Chair of trustees

HEALTHY LEARNING TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HEALTHY LEARNING TRUST

FOR THE YEAR ENDED 31 AUGUST 2017

Opinion

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

In our opinion the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

HEALTHY LEARNING TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HEALTHY LEARNING TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report, including the incorporated strategic report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

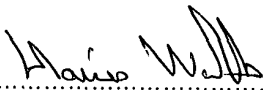
A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

HEALTHY LEARNING TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HEALTHY LEARNING TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

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. 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's members as a body, for our audit work, for this report, or for the opinions we have formed.



John Whittick BSc FCA (Senior Statutory Auditor)
for and on behalf of Haines Watts

Chartered Accountants

Statutory Auditor

Bridge House

Ashley Road

Hale

Altrincham

WA14 2UT

Dated: 14/1/17

HEALTHY LEARNING TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HEALTHY LEARNING TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2017

In accordance with the terms of our engagement letter dated 7 August 2014 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Healthy Learning Trust during the period 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Healthy Learning Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Healthy Learning Trust's funding agreement with the Secretary of State for Education dated 29 July 2011 and the Academies Financial Handbook, extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

HEALTHY LEARNING TRUST

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

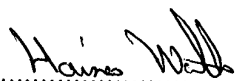
FOR THE YEAR ENDED 31 AUGUST 2017

The work undertaken to draw to our conclusion includes:

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

Conclusion

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



Haines Watts
Reporting Accountant

Dated: 

HEALTHY LEARNING TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	Unrestricted Funds £(000)	Restricted funds: General £(000)	Fixed asset £(000)	Total 2017 £(000)	Total 2016 £(000)
Income and endowments from:						
Donations and capital grants	3	26	243	266	535	83
Charitable activities:						
- Funding for educational operations	4	-	4,353	-	4,353	4,369
Other trading activities	5	465	5	-	470	532
Investments	6	-	-	-	-	1
Total income and endowments		<u>491</u>	<u>4,601</u>	<u>266</u>	<u>5,358</u>	<u>4,985</u>
Expenditure on:						
Raising funds	7	169	-	-	169	165
Charitable activities:						
- Educational operations	8	113	5,089	167	5,369	5,094
Total expenditure	7	<u>282</u>	<u>5,089</u>	<u>167</u>	<u>5,538</u>	<u>5,259</u>
Net income/(expenditure)		209	(488)	99	(180)	(274)
Transfers between funds		(227)	236	(9)	-	-
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension schemes	19	-	1,733	-	1,733	(1,085)
Net movement in funds		(18)	1,481	90	1,553	(1,359)
Reconciliation of funds						
Total funds brought forward		<u>75</u>	<u>(2,406)</u>	<u>7,507</u>	<u>5,176</u>	<u>6,535</u>
Total funds carried forward		<u>57</u>	<u>(925)</u>	<u>7,597</u>	<u>6,729</u>	<u>5,176</u>

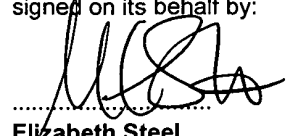
HEALTHY LEARNING TRUST

BALANCE SHEET

AS AT 31 AUGUST 2017

		2017	2016
	Notes	£(000)	£(000)
Fixed assets			
Tangible assets	12	7,503	7,507
Current assets			
Stocks	13	38	22
Debtors	14	184	183
Cash at bank and in hand		362	304
		<u>584</u>	<u>509</u>
Current liabilities			
Creditors: amounts falling due within one year	15	<u>(433)</u>	<u>(434)</u>
Net current assets		151	75
Net assets excluding pension liability		7,654	7,582
Defined benefit pension liability	19	<u>(925)</u>	<u>(2,406)</u>
Net assets		<u>6,729</u>	<u>5,176</u>
Funds of the academy trust:			
Restricted funds	17		
- Fixed asset funds		7,597	7,507
- Pension reserve		<u>(925)</u>	<u>(2,406)</u>
Total restricted funds		6,672	5,101
Unrestricted income funds	17	<u>57</u>	<u>75</u>
Total funds		<u>6,729</u>	<u>5,176</u>

The accounts were approved by the board of trustees and authorised for issue on 14 December 2017 and are signed on its behalf by:


 Elizabeth Steel
 Chair of trustees

Company Number 07691820

HEALTHY LEARNING TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	2017 £(000)	£(000)	2016 £(000)	£(000)
Cash flows from operating activities					
Net cash used in operating activities	20		(45)		(228)
Cash flows from investing activities					
Dividends, interest and rents from investments		-		1	
Capital grants from DfE and ESFA		107		29	
Capital funding from sponsors and others		159		-	
Payments to acquire tangible fixed assets		(163)		(33)	
			103		(3)
Change in cash and cash equivalents in the reporting period			58		(231)
Cash and cash equivalents at 1 September 2016			304		535
Cash and cash equivalents at 31 August 2017			362		304

HEALTHY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

The academy trust changed its name from Flixton Girls' School Academy Trust to Healthy Learning Trust on 22 August 2017.

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

1.1 Basis of preparation

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

Healthy Learning Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Income

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

Grants receivable

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

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

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

Donations

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

HEALTHY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

HEALTHY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

1.5 Tangible fixed assets and depreciation

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

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

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

Land and buildings	50 years straight line
Computer equipment	3 years straight line
Fixtures, fittings & equipment	7 to 20 years straight line

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

1.6 Liabilities

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

1.7 Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

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

1.8 Leasing and hire purchase commitments

Rentals under operating leases are charged on a straight line basis over the lease term.

1.9 Financial instruments

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

HEALTHY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

Financial assets

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

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

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.10 Stock

Unsold catering and uniform stocks are valued at the lower of cost or net realisable value.

1.11 Taxation

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

1.12 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 19, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to 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 recognised gains and losses.

1.13 Fund accounting

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

HEALTHY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

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

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3 Donations and capital grants

	Unrestricted funds £(000)	Restricted funds £(000)	Total 2017 £(000)	Total 2016 £(000)
Private sponsorship	-	243	243	25
Capital grants	-	107	107	29
Other donations	26	159	185	29
	<u>26</u>	<u>509</u>	<u>535</u>	<u>83</u>

The income from donations and capital grants was £535,000 (2016: £83,000) of which £26,000 was unrestricted (2016: £29,000), £243,000 was restricted (2016: £25,000) and £266,000 was restricted fixed assets (2016: £29,000).

HEALTHY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

4 Funding for the academy trust's educational operations

	Unrestricted funds £(000)	Restricted funds £(000)	Total 2017 £(000)	Total 2016 £(000)
DfE / ESFA grants				
General annual grant (GAG)	-	4,125	4,125	4,143
Other DfE / ESFA grants	-	161	161	183
	<u>-</u>	<u>4,286</u>	<u>4,286</u>	<u>4,326</u>
Other government grants				
Local authority grants	-	67	67	43
	<u>-</u>	<u>67</u>	<u>67</u>	<u>43</u>
Total funding	<u>-</u>	<u>4,353</u>	<u>4,353</u>	<u>4,369</u>

The income from funding for educational operations was £4,353,000 (2016: £4,369,000) of which £4,353,000 was restricted (2016: £4,369,000).

The academy trust received £67,000 from the local authority in the year, being £43,000 high needs funding, £9,000 pupil premium funding and £15,000 alternate provision funding.

There were no unfulfilled conditions or other contingencies relating to the grants received during the year.

5 Other trading activities

	Unrestricted funds £(000)	Restricted funds £(000)	Total 2017 £(000)	Total 2016 £(000)
Hire of facilities	23	-	23	12
Catering income	217	5	222	204
Parental contributions	125	-	125	116
Other income	100	-	100	200
	<u>465</u>	<u>5</u>	<u>470</u>	<u>532</u>

The income from other trading activities was £470,000 (2016: £532,000) of which £465,000 was unrestricted (2016: £526,000) and £5,000 was restricted (2016: £6,000).

6 Investment income

	Unrestricted funds £(000)	Restricted funds £(000)	Total 2017 £(000)	Total 2016 £(000)
Short term deposits	-	-	-	1
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>

The income from funding for investment income was £nil (2016: £1,000) of which £nil was unrestricted (2016: £1,000).

HEALTHY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

7 Expenditure

	Staff costs £(000)	Premises £(000)	Other costs £(000)	Total 2017 £(000)	Total 2016 £(000)
Expenditure on raising funds	-	-	169	169	165
Academy's educational operations					
- Direct costs	3,173	150	277	3,600	3,414
- Allocated support costs	936	325	508	1,769	1,680
	<u>4,109</u>	<u>475</u>	<u>954</u>	<u>5,538</u>	<u>5,259</u>

The expenditure on raising funds was £169,000 (2016: £165,000) of which £169,000 was unrestricted (2016: £165,000).

Net income/(expenditure) for the year includes:

	2017 £(000)	2016 £(000)
Fees payable to auditor for audit services	7	7
Operating lease rentals	11	11
Depreciation of tangible fixed assets	167	139
Net interest on defined benefit pension liability	<u>53</u>	<u>47</u>

8 Charitable activities

	Unrestricted funds £(000)	Restricted funds £(000)	Total 2017 £(000)	Total 2016 £(000)
Direct costs - educational operations	-	3,600	3,600	3,414
Support costs - educational operations	113	1,656	1,769	1,680
	<u>113</u>	<u>5,256</u>	<u>5,369</u>	<u>5,094</u>

The expenditure on educational operations was £5,369,000 (2016: £5,094,000) of which £113,000 was unrestricted (2016: £99,000), £5,089,000 was restricted (2016: £4,856,000) and £167,000 was restricted fixed assets (2016: £139,000).

HEALTHY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

8 Charitable activities

Analysis of costs	2017	2016
Direct costs	£(000)	£(000)
Teaching and educational support staff costs	3,168	2,962
Staff development	5	12
Depreciation and amortisation	150	125
Technology costs	-	30
Educational supplies and services	190	194
Examination fees	56	54
Educational consultancy	31	35
Other direct costs	-	2
	<u>3,600</u>	<u>3,414</u>
Support costs		
Support staff costs	936	870
Depreciation and amortisation	17	14
Technology costs	76	67
Maintenance of premises and equipment	89	91
Cleaning	83	82
Energy costs	60	57
Rent and rates	45	50
Insurance	31	30
Security and transport	25	25
Catering	118	105
Interest on pension deficit	53	47
Other support costs	197	196
Governance costs	39	46
	<u>1,769</u>	<u>1,680</u>

9 Staff costs

	2017	2016
	£(000)	£(000)
Wages and salaries	2,996	2,862
Social security costs	290	237
Operating costs of defined benefit pension schemes	687	555
	<u>3,973</u>	<u>3,654</u>
Staff costs	3,973	3,654
Supply staff costs	82	39
Staff development and other staff costs	54	151
	<u>4,109</u>	<u>3,844</u>
Total staff expenditure	4,109	3,844

HEALTHY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

9 Staff costs

Staff numbers

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

	2017 Number	2016 Number
Teachers	51	49
Administration and support	69	68
Management	6	8
	<u>126</u>	<u>125</u>

Higher paid staff

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

	2017 Number	2016 Number
£60,001 - £70,000	2	2
£100,001 - £110,000	<u>1</u>	<u>1</u>

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £391,501 (2016: £768,373).

10 Trustees' remuneration and expenses

One or more trustees have been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

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

J Hazeldine (Headteacher)

Remuneration £105,000 - £110,000 (2016: £100,000 - £105,000)

Employers pension contributions £15,000 - £20,000 (2016: £15,000 - £20,000)

H Lockett (Staff trustee) (Resigned as a trustee 30/04/17)

Remuneration £20,000 - £25,000 (2016: £30,000 - £35,000)

Employers pension contributions £nil - £5,000 (2016: £5,000 - £10,000)

P Horridge (Staff trustee) (Resigned as a trustee 01/05/17)

Remuneration £15,000 - £20,000 (2016: £nil - £5,000)

Employers pension contributions £nil - £5,000 (2016: £nil - £5,000)

During the year, travel and subsistence payments totalling £nil (2016: £nil) were reimbursed.

HEALTHY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

11 Trustees and officers insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2017 was included in the total insurance cost.

12 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£(000)	£(000)	£(000)	£(000)
Cost				
At 1 September 2016	7,834	58	319	8,211
Additions	7	-	156	163
	<u>7,841</u>	<u>58</u>	<u>475</u>	<u>8,374</u>
At 31 August 2017	7,841	58	475	8,374
Depreciation				
At 1 September 2016	619	34	51	704
Charge for the year	127	8	32	167
	<u>746</u>	<u>42</u>	<u>83</u>	<u>871</u>
At 31 August 2017	746	42	83	871
Net book value				
At 31 August 2017	<u>7,095</u>	<u>16</u>	<u>392</u>	<u>7,503</u>
At 31 August 2016	<u>7,215</u>	<u>24</u>	<u>268</u>	<u>7,507</u>

The net book value of land and buildings comprises:

	2017 £(000)	2016 £(000)
Long leaseholds (over 50 years)	<u>6,770</u>	<u>6,890</u>

13 Stocks

	2017 £(000)	2016 £(000)
School uniform	34	19
Catering stock	4	3
	<u>38</u>	<u>22</u>

HEALTHY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

14 Debtors	2017 £(000)	2016 £(000)
Trade debtors	8	6
VAT recoverable	21	22
Other debtors	43	26
Prepayments and accrued income	112	129
	<u>184</u>	<u>183</u>
 15 Creditors: amounts falling due within one year	 2017 £(000)	 2016 £(000)
Trade creditors	167	90
Other taxation and social security	131	134
Other creditors	8	4
Accruals and deferred income	127	206
	<u>433</u>	<u>434</u>
 16 Deferred income	 2017 £(000)	 2016 £(000)
Deferred income is included within:		
Creditors due within one year	<u>69</u>	<u>108</u>
 Deferred income at 1 September 2016	 108	 126
Released from previous years	(108)	(126)
Amounts deferred in the year	<u>69</u>	<u>108</u>
 Deferred income at 31 August 2017	 <u>69</u>	 <u>108</u>

At the balance sheet date, the academy trust was holding funds received in advance for the following purposes:

- Trips during 2017/18 - £61,953
- Other income received in advance - £6,578

HEALTHY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

17 Funds

	Balance at 1 September 2016 £(000)	Income £(000)	Expenditure £(000)	Gains, losses and transfers £(000)	Balance at 31 August 2017 £(000)
Restricted general funds					
General Annual Grant	-	4,125	(4,361)	236	-
Other DfE / ESFA grants	-	161	(161)	-	-
Other government grants	-	67	(67)	-	-
Other restricted funds	-	248	(248)	-	-
	<u>-</u>	<u>4,601</u>	<u>(4,837)</u>	<u>236</u>	<u>-</u>
Funds excluding pensions	-	4,601	(4,837)	236	-
Pension reserve	(2,406)	-	(252)	1,733	(925)
	<u>(2,406)</u>	<u>4,601</u>	<u>(5,089)</u>	<u>1,969</u>	<u>(925)</u>
Restricted fixed asset funds					
Transferred on conversion	7,483	-	(130)	(574)	6,779
DfE / ESFA capital grants	24	107	(28)	565	668
Private sector capital sponsorship	-	159	(9)	-	150
	<u>7,507</u>	<u>266</u>	<u>(167)</u>	<u>(9)</u>	<u>7,597</u>
Total restricted funds	<u>5,101</u>	<u>4,867</u>	<u>(5,256)</u>	<u>1,960</u>	<u>6,672</u>
Unrestricted funds					
General funds	75	491	(282)	(227)	57
	<u>75</u>	<u>491</u>	<u>(282)</u>	<u>(227)</u>	<u>57</u>
Total funds	<u>5,176</u>	<u>5,358</u>	<u>(5,538)</u>	<u>1,733</u>	<u>6,729</u>

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

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

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

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

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

A transfer has been made between unrestricted funds and restricted general funds to cover the deficit on restricted general funds:

HEALTHY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

18 Analysis of net assets between funds

	Unrestricted Funds £(000)	Restricted funds: General £(000)	Fixed asset £(000)	Total 2017 £(000)
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	-	-	7,503	7,503
Current assets	57	433	94	584
Creditors falling due within one year	-	(433)	-	(433)
Defined benefit pension liability	-	(925)	-	(925)
	<u>57</u>	<u>(925)</u>	<u>7,597</u>	<u>6,729</u>

19 Pensions and similar obligations

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

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

Contributions amounting to £60,471 (2016: £61,304) were payable to the schemes as at 31 August 2017 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

HEALTHY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

19 Pensions and similar obligations

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuary review of the TPS in accordance with the Public Service Pension (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge(currently 14.1%).
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million.
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to the TPS in the period amounted to £326,166 (2016: £306,999).

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 17% for employers and 5.5-12.5% for employees. The estimated value of employer contributions for the forthcoming year is £165,000.

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

Total contributions made	2017 £(000)	2016 £(000)
Employer's contributions	165	172
Employees' contributions	68	70
Total contributions	233	242

HEALTHY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

19 Pensions and similar obligations

Principal actuarial assumptions	2017 %	2016 %
Rate of increases in salaries	3.2	3.4
Rate of increase for pensions in payment	2.4	2.1
Discount rate	2.5	2.1

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

	2017 Years	2016 Years
Retiring today		
- Males	21.5	21.4
- Females	24.1	24.0
Retiring in 20 years		
- Males	23.7	24.0
- Females	26.2	26.6

Sensitivity analysis

Changes in assumptions at 31 August 2017	Approximate % increase to employer liability	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	12%	646
0.5% increase in the Salary Increase Rate	2%	130
0.5% increase in the Pension Increase Rate	9%	505

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

	2017 Fair value £(000)	2016 Fair value £(000)
Equities	3,346	2,818
Bonds	734	665
Property	275	235
Other assets	229	196
Total market value of assets	4,584	3,914
Actual return on scheme assets - gain/(loss)	488	636

HEALTHY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

19 Pensions and similar obligations

Amounts recognised in the statement of financial activities	2017 £(000)	2016 £(000)
Current service cost	364	248
Interest income	(84)	(120)
Interest cost	137	167
Total operating charge	417	295
Changes in the present value of defined benefit obligations	2017 £(000)	2016 £(000)
Obligations at 1 September 2016	6,320	4,241
Current service cost	364	248
Interest cost	137	167
Employee contributions	68	70
Actuarial (gain)/loss	(1,329)	1,601
Benefits paid	(51)	(7)
At 31 August 2017	5,509	6,320
Changes in the fair value of the academy trust's share of scheme assets	2017 £(000)	2016 £(000)
Assets at 1 September 2016	3,914	3,043
Interest income	84	120
Actuarial gain	404	516
Employer contributions	165	172
Employee contributions	68	70
Benefits paid	(51)	(7)
At 31 August 2017	4,584	3,914

HEALTHY LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

20 Reconciliation of net expenditure to net cash flows from operating activities

	2017 £(000)	2016 £(000)
Net expenditure for the reporting period	(180)	(274)
Adjusted for:		
Capital grants from DfE/ESFA and other capital income	(266)	(29)
Investment income receivable	-	(1)
Defined benefit pension costs less contributions payable	199	76
Defined benefit pension net finance cost	53	47
Depreciation of tangible fixed assets	167	139
(Increase) in stocks	(16)	(4)
(Increase) in debtors	(1)	(31)
(Decrease) in creditors	(1)	(151)
Net cash used in operating activities	(45)	(228)

21 Commitments under operating leases

At 31 August 2017 the total future minimum lease payments under non-cancellable operating leases were as follows:

	2017 £(000)	2016 £(000)
Amounts due within one year	11	11
Amounts due in two and five years	14	25
	<u>25</u>	<u>36</u>

22 Capital commitments

	2017 £(000)	2016 £(000)
Expenditure contracted for but not provided in the accounts	<u>90</u>	<u>159</u>

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

No related party transactions took place in the period of accounts.

24 Members' liability

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