

REGISTRAR OF COMPANIES

Langley Park Learning Trust

Annual Report and Financial Statements

31 August 2019

Company Limited by Guarantee
Registration Number
07697400 (England and Wales)



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Reference and administrative information

Members

C Anderson (Resigned 6 December 2018)
E Soobadoo
M Upham (Resigned 6 December 2018)
P Daubney (Appointed 26 November 2018)
M Lovegrove (Appointed 26 November 2018)
S Wilson (Appointed 26 November 2018)
A Vance-Cuthbert (Appointed 26 November 2018)

Trustees

E Soobadoo (Chair of Trustees)
J Budden (Chief Executive Officer and Accounting Officer)
D Appleton
Sir R Boshier (Appointed 16 March 2019)
A Carr
G Chalmers (Appointed 28 September 2018)
G Fendick (Appointed 28 September 2018)
J Weatherill (Appointed 26 November 2018)
B Hart
L Lennox (Resigned 29 October 2018)

Company Secretary M Metcalfe (Resigned June 2019)

Senior Management Team

J Budden (CEO and Executive Headteacher, Clare House Primary School)
M De Freitas (Headteacher, Hawes Down Primary School)
J Holland (Head of School, Clare House Primary School)
S Kluzek (Headteacher, Langley Park Primary School)
M Metcalfe (COO and CFO) (Resigned June 2019)
S Parsons (Headteacher, Langley Park School for Boys)
K Scott (Headteacher, Langley Park School for Girls)

Registered address

Hawksbrook Lane
South Eden Park Road
Beckenham
Kent
BR3 3BE

Company registration number 07697400 (England and Wales)

Reference and administrative information

Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Lloyds Bank plc 6-8 Market Square Bromley Kent BR1 1NA
Solicitors	Veale Wasbrough Vizards Barnards Inn 86 Fetter Lane London EC4A 1AD

Trustees' report Year to 31 August 2019

The trustees of Langley Park Learning Trust ('the Academy Trust') present their annual report together with the financial statements and the auditor's reports of the charitable company for the year to 31 August 2019. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The accounts have been prepared in accordance with the accounting policies set out in pages 31 to 36 of the accounts and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006, the Statement of Recommended Practice 2015, "Accounting and Reporting by Charities", and the Academies' Accounts Direction 2018 to 2019 issued by the ESFA.

The principal object of the company is the advancement of education in the United Kingdom. It achieves this object principally through the operation of Langley Park School for Girls, Hawes Down Junior School and Hawes Down Infant School (which merged to form Hawes Down Primary School on 1 November 2017), Clare House Primary School and Langley Park Primary School, the aim being to provide the highest possible standard of education and pastoral care for the local community, maximising the life-chances of its students of different abilities. Langley Park School for Boys joined the trust on 1 September 2018.

The trust has a total pupil capacity of 4,658 and had a roll of 4,325 in the school census in October 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Trustees of Langley Park Learning Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Langley Park Learning Trust. It changed its name from "Langley Park School for Girls" on 6 March 2015 to reflect the company's change in status to that of a Multi Academy Trust and further changed its name on 18 July 2018 to Langley Park Learning Trust. The company's articles of association are its constitution. The new model DfE articles of association were adopted on 24 July 2018. Hawes Down Junior School and Hawes Down Infant School joined the Trust on 1 April 2015 on conversion to academy status and Clare House Primary School joined the trust on 1 August 2016 on conversion to academy status. The trust was joined by Langley Park Primary School, a free school set up by the trust, on 1 September 2016. Hawes Down Junior School and Hawes Down Infant School amalgamated on 1 November 2017 to form Hawes Down Primary School and Langley Park School for Boys joined the trust on 1 September 2018.

The academy trust is a company limited by guarantee and an exempt charity.

Details of the Trustees who served during the year are included in the Reference and Administrative Details included at the front of these accounts.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

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

No third party indemnity provisions were made during the year.

Method of recruitment and appointment or election of Trustees

In accordance with the articles, the Trustees of the charitable company are appointed as follows:

- ◆ Up to nine Trustees, appointed by Members, including the CEO
- ◆ Any co-opted Trustees, appointed by Trustees

Policies and procedures for the induction and training of Trustees and Governors

The training and induction provided for new Trustees and Governors will depend on their existing experience. Where necessary, induction will provide training in charity, educational, legal and financial matters. As there are normally only three or four new Trustees and/or Governors a year, induction tends to be done informally and is tailored specifically to the needs of the individual. All Trustees and Governors have access to comprehensive training programmes organised by Octavo Partnership Governor Services as well as other training through a variety of sources.

All Trustees are provided with the information needed (including policies, minutes, budgets, etc) to undertake their role as Trustees.

Organisational structure

The Board of Trustees, the majority of whom are non-executive, comprises those persons appointed under the Articles of Association. The board meets at least termly. Three other committees also meet termly and they are Audit and Risk Committee, Resources and Financial Planning Committee and Standards Data and Performance Committee whose membership included a School Improvement Partner (SIP) to monitor progress in curriculum, achievement, teaching and learning and leadership and management, all of which are reported to the board.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational structure (continued)

The Trustees are responsible for the strategic direction of the Trust and have the ultimate decision making authority. This is exercised through strategic planning and setting of policy. It is managed through business planning, budget monitoring, performance management, the setting of standards and the implementation of quality management processes. The Trustees have reserved the power to approve the final budget and audited accounts, approve the appointment of the Headteachers and approve expenditure over prescribed amounts. The trust's scheme of delegation is reviewed and approved annually.

Day to day management of each of the academies is delegated to the individual Headteachers and Leadership Team at each school. The board receives reports from each of the local governing bodies on at least half termly basis. In addition, the Standards Committee reports to the board on curriculum and achievement.

All the committees are formally constituted with terms of reference and comprise appropriately qualified and experienced members.

Trustees delegate specific responsibilities to its committees, the activities of which are reported to and discussed at full Board Meetings. The Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Trust by the use of budgets and making major decisions about the direction of the Trust, capital expenditure and senior staff appointments.

Day to day management of the company is undertaken by the CEO and central team, supported by the headteachers of member schools. Day to day leadership of the schools is delegated to the headteachers and their leadership teams. The aim of the management structure is to devolve responsibility, develop leadership and encourage involvement in decision making at all levels.

The governance of each of the schools is delegated to a local governing body which meets at least termly and reports are circulated to and approved by the Board of Trustees.

Each of the local governing bodies is organised as appropriate to cover the following areas:

- ◆ Resources, including HR
- ◆ Teaching and Learning

All the local governing bodies and committees are formally constituted with terms of reference and comprise appropriately qualified and experienced members. Their activities are reported to and discussed with the Trust Board's Trustees.

J Budden, Executive Headteacher of Clare House Primary School became the CEO on 1 September 2018 and the Accounting Officer of the Trust. The trust's Chief Operating Officer is the Chief Financial Officer.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Arrangements for setting pay and remuneration of key management personnel

The senior management team (SMT) are the key management personnel of the trust. Trustees are also senior management although they receive no pay or other remuneration in respect of their role as trustees. The pay of the Headteacher is set annually by the Pay Committee of each academy, having regards to performance against objectives set the previous year. Pay of other SMT members is also set by the Pay Committee again having regard to performance against previously agreed objectives and any recommendations made by the Headteacher. During the year, the Accounting Officer received no additional remuneration for the role. The pay range of the COO is set by the Trustees.

Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

Percentage of time	Number of employees
1% - 50%	1

Percentage of pay bill spent on facility time

Total cost of facility time	£3,446
Total pay bill	£10,595
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.03%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	50%
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STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Connected organisations, including related party relationships

There are no connected organisations and no subsidiary companies.

OBJECTIVES AND ACTIVITIES

Objects and aims

The principal object of the company is the advancement of education in the United Kingdom. It achieves this object principally through the operation of Langley Park School for Girls, Langley Park School for Boys, Hawes Down Primary School, Clare House Primary School and Langley Park Primary School, the aim being to provide the highest possible standard of education and pastoral care for the local community, maximising the life-chances of its students of different abilities. Our strapline is "Excellence in Education".

Objectives, strategies and activities

The main objective for the schools and their learners during the year were:

The main objectives during the year were;

- ◆ Developing active, independent and creative learners;
- ◆ Ensuring engaging learning which enables all pupils and students to experience appropriate levels of support and challenge;
- ◆ Focusing on the whole child, building character, including resilience and a growth mindset;
- ◆ Promoting creativity, citizenship and developing leaders;
- ◆ Improving the quality of marking, assessment and feedback to enhance learning;
- ◆ Developing and promoting the 'Mastery Mindset' - attitudes towards learning and life characterised by willingness to take responsible risks, the ability to cope with disappointment and failure, and the resilience to learn from mistakes;
- ◆ Enabling students to make informed decisions about their futures through a comprehensive programme of information advice and guidance;
- ◆ Recognising and encouraging achievement;
- ◆ A strong partnership between home and school;
- ◆ Forging effective links with business and the community;
- ◆ Continuous self-scrutiny and assessment in partnership with students and parents;
- ◆ Courtesy and the highest standards of behaviour;

OBJECTIVES AND ACTIVITIES (continued)

Objectives, strategies and activities (continued)

- ◆ Fostering self-respect, moral and spiritual growth and developing leadership;
- ◆ Identifying and supporting staff training needs; and
- ◆ Maintaining an excellent learning environment.

To this end the activities provided included:

- ◆ Tuition and learning opportunities for all students to attain appropriate academic qualifications;
- ◆ Training opportunities for all staff;
- ◆ A programme of sporting and after school leisure activities for all students;
- ◆ A programme of sporting and after school leisure activities for the wider community;
- ◆ A programme of after school and lunch time clubs;
- ◆ A range of musical instrument lessons;
- ◆ A range of drama and dance evening productions; and
- ◆ A range of opportunities for developing global links including communication with partner school and visits to countries such as Kenya, South Africa, Tenerife, Italy, France, Borneo, Vietnam and Malaysia.

For the MAT Board of Trustees, objectives included:

- ◆ Ensuring that the partner schools managed their budgets;
- ◆ Continuing to develop approaches to value for money and joint purchases;
- ◆ Moving towards greater centralisation of administrative functions and resource management;
- ◆ Continue to streamline key policies and processes;
- ◆ Implementation of a systematic approach to reviewing learning, teaching, assessment, leadership and management across the partner schools;
- ◆ Key focus on the curriculum of all the schools;
- ◆ Reviewing and improving governance and listening to stakeholder voice;
- ◆ Reviewing sixth form provision in our schools; and
- ◆ Creation of admissions strategy for the Trust.

OBJECTIVES AND ACTIVITIES (continued)

Objectives, strategies and activities (continued)

The activities to this end included:

- ◆ Reviewing policies across the MAT including Finance, HR and key statutory policies;
- ◆ Working with our School Improvement Partner to synchronise approaches to review and involve key leaders from all partner schools in the process;
- ◆ Reviewing and operationalising the Scheme of Delegation;
- ◆ Carrying out a detailed analysis of possible sixth form provision; and
- ◆ Consultation process for admissions.

Public Benefit

In setting the Academy Trust's objectives and planning its activities, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

STRATEGIC REPORT

Achievements and performance

The trust has enjoyed a successful year, with very good results in its schools. The key academic performance indicators are outlined below. Clare House Primary School had a Section 5 Ofsted reports in the Spring term and was judged as Outstanding (up from Good). Langley Park School for Boys had a Section 5 Ofsted report in Spring 2019 and was judged as Good (down from Outstanding). Langley Park Primary School had its first Section 5 Ofsted report in Spring 2019 and was judged as Good. Langley Park School for Girls achieved the best results at GCSE in its history.

For the outcomes below, the number in brackets is the National Average)/.

Hawes Down Primary School

- ◆ In EYFS, 79% (National Average - 72%) of children achieved a Good Level of Development (GLD)
- ◆ In Phonics in Year 1 79% (82%) of children passed the phonics test
- ◆ At the end of KS1: 78% (75%) of children were national expected standard in Reading, 74% (69%) were national expected standard in Writing and 79% (76%) were national expected standard in Maths
- ◆ At the end of Key Stage 2 the attainment of children achieving the national expected standard was as follows:

Reading 85% (73%)

Writing 87% (78%)

STRATEGIC REPORT (continued)

Achievements and performance (continued)

Maths 90% (79%)

- ◆ 82% (65%) of children achieved national expected standard in Reading, Writing and Maths combined

Clare House Primary School

- ◆ In EYFS, 84% (72%) of children achieved a Good Level of Development (GLD)
- ◆ In Phonics in Year 1 98% (82%) of children passed the phonics test
- ◆ At the end of KS1: 90% (75%) of children were national expected standard in Reading, 85% (69%) were national expected standard in Writing and 86% (76%) were national expected standard in Maths
- ◆ At the end of Key Stage 2 the attainment of children achieving the national expected standard was as follows:

Reading 82% (73%)

Writing 87% (78%)

Maths 93% (79%)

76% (65%) of children achieved national expected standard in Reading, Writing and Maths combined

Langley Park Primary School

- ◆ In EYFS, 88% (72%) of children achieved a Good Level of Development (GLD)
- ◆ In Phonics in Year 1 94% (82%) of children passed the phonics test
- ◆ At the end of KS1: 85% (75%) of children were national expected standard in Reading, 76% (69%) were national expected standard in Writing and 87% (76%) were national expected standard in Maths

STRATEGIC REPORT (continued)

Achievements and performance (continued)

Secondary schools

	Langley Park School for Boys	Langley Park School for Girls	
GCSE Results	2019	2019	2018
Attainment 8 (provisional)	48.69	59.6	57.1
Progress 8 (provisional)	-0.16	+0.86	+0.57
Overall 9 – 4+ inc English and Maths	75%	87%	81.9%
Overall 9 – 5+ inc English and Maths	49%	68%	68.1%
English 4+	80%	96%	92.67%
English 5+	62%	89%	87.28%
Maths 4+	85%	88%	85.78%
Maths 5+	65%	69%	69.83%
Best English and Maths 4+ -	75%	87%	83%
Best English and Maths 5+ -	49%	68%	68%
Ebacc	35%	66%	62.93%

A Level results	2019	2019	2018
A* - B	46%	58%	36%
A* - C	75%	83%	65%
A* - E	98%	99.7%	96%

STRATEGIC REPORT (continued)

Going concern

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

Financial review

We receive our income from a number of different sources. The majority of our income comes from central government via the Education and Skills Funding Agency who provide us with grant, based largely on our student numbers to cover our staffing and other general running costs (General Annual Grant - GAG). The ESFA may provide us with additional grants which are earmarked for specific purposes (such as Pupil Premium which must be used to raise the attainment of disadvantaged pupils). These appear in the accounts as DfE/ESFA grants. Where we receive grant or other funding from the Local Authority (such as where we undertake responsibilities on their behalf in respect of our students) this appears in the accounts as 'Other government grants'. Such income is collectively referred to as "Restricted Funds". Other income is received from parents (for example as contributions to trip or other costs) and from third parties (for example from our bank for interest on our account balances or from others who are charged for their use of our facilities). Such other income may be restricted or unrestricted, depending on whether it comes to us with conditions as to its use or whether it is available for spending at the discretion of the trustees.

We hold funds in two broad categories, funds which are available for spending and other funds which are not available for spending.

Spendable funds are in turn sub-categorised between those which are available for spending at the discretion of trustees ("Unrestricted Funds") and those which are subject to condition or restriction, ("Restricted Funds").

Funds not available for spending include the book value of fixed assets such as land, buildings and equipment. These have a value and are therefore included as assets in the accounts but clearly, we cannot spend this value. In common with all academies and Local Authorities, our share of the Local Government Pension Scheme deficit must also be reflected in our accounts and as this is not a conventional liability, it does not need to be deducted from spendable funds. We meet our obligations in respect of the LGPS by paying over pension contributions due as calculated by the scheme's actuaries.

STRATEGIC REPORT (continued)

Financial review (continued)

The following balances held were held at 31 August:

Fund	Category	2019 £'000	2018 £'000
GAG	Restricted General Funds	1,849	968
Other DfE/ESFA Grants	Restricted General Funds	—	133
Other Government Grants	Restricted General Funds	—	8
Other income	Restricted General Funds	309	332
Sub-total General	Restricted funds	2,158	1,441
Unspent Capital Grants	Restricted Fixed Asset Fund	322	256
Other income	Unrestricted General Fund	2,025	529
Sub-total	Spendable funds	2,347	785
Net Book Value of Fixed Assets	Restricted Fixed Asset Fund	71,775	39,081
Share of LGPS Deficit	Restricted Pension Reserve	(6,824)	(2,122)
Total	All funds	69,456	39,185

During the year under review and before transfers and movements in the LGPS pension fund, there was a surplus of income over expenditure of £717k on general restricted funds, a surplus of £1,496k on unrestricted funds.

The LGPS pension fund had net expenditure of £1,935k, the fixed asset fund a surplus of £32,760k, all of which gave rise to an overall surplus of £33,271k.

Reserves policy

During the year, Trustees agreed a new reserves policy. The principal policy is that the minimum level of spendable reserves held by the Trust should not fall below £1.179m, which is 5% of current total funding for the Trust's educational operations and should not ordinarily exceed 10% of this level of funding (currently £2.358m).

Each year the Governors and Trustees review the resource requirements and grant and other income that is forecast for the coming year and an annual budget is formulated and approved.

The Trustees are satisfied that the current level of reserves is above the minimum requirement and that this is appropriate given the expansion of the Trust in recent years. The Trustees will keep the level of reserves under review.

Investment policy

There are no investments held beyond cash deposits retained with the major UK clearing banks. Speculative investments are not permitted.

PRINCIPAL RISKS AND UNCERTAINTIES

The Directors have assessed the major risks to which the company is exposed, in particular those relating to academic performance/finances/child welfare. The Governors and Trustees have implemented a number of systems to assess risks that the company faces, and have developed policies and procedures to mitigate those risks. Where significant financial risk still remains they have ensured they have adequate insurance cover. The company has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

The risk management process has been codified in a risk register implemented by the Audit and Risk Committee and overseen by Trustees.

The principal financial risk faced by the company is that on-going pressure on funding results in a risk that deficits may be experienced. The budgeting and reporting process, including scrutiny by the Trustees of actual financial performance, mitigates the risk.

As the nature of the financial instruments dealt with by the company is relatively simple (bank balances, debtors and "trade" creditors), Trustees consider the associated risk in this area to be minimal.

The risk resulting from the company's share of the LGPS deficit is managed by following the advice of the scheme's actuaries, specifically as regards the level of contributions payable, ensuring that annual budgets are drawn up to reflect the actuary's advice.

FUNDRAISING

The trust and individual academies within it organise fundraising events and appeals and co-ordinate the activities of our supporters both in the academies and in the wider community on behalf of the trust.

The trust does not use professional fundraisers or involve commercial participators. There have been no complaints about fund raising activity this year.

The trust complies with the Fundraising Regulator's Code of Fundraising Practice

All fundraising is undertaken by the trust in a manner that seeks to ensure that it is not unreasonably intrusive or persistent. Contact is made through email, academy newsletters, our websites and via students. All fundraising material contains clear instructions on how a person can be removed from mailing lists.

PLANS FOR FUTURE PERIODS

The vision for the Trust is that it will, by 2020 include the highest achieving comprehensive secondary and primary schools in Bromley, in terms of their results as well as the wider outcomes for its students. It will continue to blend the best of the old and new to create teaching and learning environments that meet the needs of 21st century learners. It will develop new and dynamic approaches to its use of electronic communications and resources and its insights into how learning works so that all students will be engaged, challenged and motivated and become critical thinkers and effective leaders. The Trust will continue its focus on developing the mastery mindset and promoting resilience and risk-taking amongst its learners.

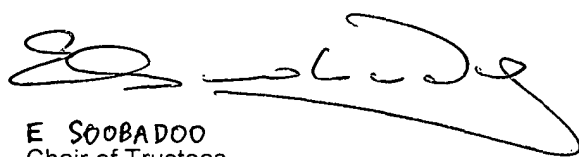
We will continue to develop Langley Park Primary School to reflect the ethos and aspirational outcomes of the Langley Park Learning Trust. We are thrilled that the school moved into its permanent home on the Langley Campus on 2 September 2018.

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.

Trustees' report, incorporating a strategic report, approved by order of the members of the Board of Trustees on 05/12/2019 and signed on its behalf by:



E SOOBADOO
Chair of Trustees

Date: 05/12/2019

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Langley Park 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 have delegated the day-to-day responsibility to J Budden, as CEO and Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the Academy and the Secretary of State for Education. The Accounting Officer is 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 delegates responsibility for the day to day management to local governing bodies at each of its schools. Each new trustee was elected to the board on the basis of a particular skillset they possessed so that the board had a balanced in-depth of knowledge in all the key areas.

During the year, the Governance Structure was reviewed comprehensively as part of the merger process with the Langley Park School for Boys Academy Trust. The new articles were adopted in June 2018 and the Board was reconstituted to comprise of 9 Trustees who are independent of the School Governing Bodies.

The Board of Trustees has formally met 7 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
E Soobadoo (Chair of Directors)	7	7
J Budden (CEO, Accounting Officer)	7	7
B Hart	6	7
A Carr	7	7
D Appleton	6	7
R Boshier	2	3
G Chalmers	5	6
J Weatherill	5	6
G Fendick	5	6

The Audit and Risk Committee was a sub-committee of the main Board of Trustees. Its purpose was to assist the Trust in fulfilling its responsibilities with particular reference to financial reporting, internal control, risk management and external audit and to make appropriate comments and recommendations on such matters to the Trust. The responsibility for the oversight of day to day management, including "financial management at each school is delegated by the Trustees to local governing bodies at each school.

Governance (continued)

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of a possible
B Hart (Chair of Committee)	3	3
J Budden (Accounting Officer)	2	2
G Chalmers	2	2
D Appleton	3	3

The Resources and Financial Planning Committee was set up in January 2019, splitting off from the Standards and Resources Committee. They met 3 times during the year. Its purpose is to assist the Trust in fulfilling its responsibilities with particular reference to operation, budgeting, estates and the appropriate use of resources. Also to make appropriate recommendations.

Attendance at meetings during the year was as follows:

Trustees	Meetings attended	Out of a possible
D Appleton (Chair of Committee)	3	3
E Soobadoo	3	3
J Budden	2	2
B Hart	1	1
A Carr	3	3
G Chalmers	3	3

The Standards, Data and Performance Committee was formed in January 2019, splitting off from the Standards and Resourcing Committee and met 4 times during the year. Its purpose is to scrutinise school standards

Trustees	Meetings attended	Out of a possible
A Carr (Chair of Committee)	3	4
D Appleton	1	2
J Budden	4	4
E Soobadoo	2	2
G Chalmers	2	2
R Bosher	1	2
B Hart	4	4
G Fendick	4	4
J Weatherill	2	2

Review of value for money

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

Review of value for money (continued)

The Accounting Officer considers that 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 Trust has improved value added across the partner schools through:

- ◆ Continuing to achieve positive academic outcome at all Key Stages.
- ◆ Increased frequency of financial reporting and monitoring at trust and school level.
- ◆ Increasing the number of trust-wide contracts in order to deliver economies of scale.
- ◆ Working more formally with the Langley Park School for Boys Academy Trust to share delivery of good practice and to achieve economies of scale.
- ◆ Exploring external sources of income for site development including Condition Improvement Fund bids, with success in two important building improvement projects at Langley Park School for Girls and Hawes Down Junior.
- ◆ Continuing to review ways of making efficiency savings in all areas, including curriculum delivery, staffing and premises management.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Langley Park Learning Trust for the year ended 31 August 2019 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

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

The risk and control framework

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

- ◆ comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- ◆ regular reviews by the appropriate 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 risk.

The Board of Trustees has considered the need for a specific internal audit function and has appointed Buzzacott LLP to undertake a series of controls and assurance visits and checks throughout the year. The role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. On a termly basis the Audit and Risk Committee considers the information provided and reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board's financial responsibilities.

Checks carried out included:

- ◆ Testing of payroll systems
- ◆ Testing of purchase systems
- ◆ Testing of control account/bank reconciliations
- ◆ Testing of income receivables systems

The Board of Trustees is satisfied that the necessary controls and assurance checks have been fully delivered in line with the Education and Skills Funding Agency's requirements. No material control issues have been notified to the Board as a result of this work.

Review of effectiveness

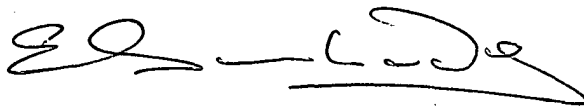
The Accounting Officer, J Budden, has the responsibility for reviewing the effectiveness of the system of internal control.

During the year ended 31 August 2019 the review has been informed by:

- ◆ The work of the Responsible Officer;
- ◆ The work of the External Auditor; and
- ◆ The work of the Executive Leaders within the trust who have the responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the Board of Trustees on 05/12/2019 and signed on its behalf by:



E SOOBADOO
(Chair of Trustees)



J BUDDEN
(Accounting Officer)

Approved on:

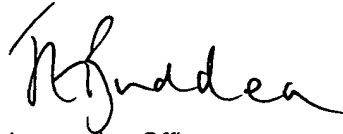
05/12/2019

Statement on regularity, propriety and compliance 31 August 2019

As accounting officer of Langley Park 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. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2018.

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



Accounting Officer

J BUDDEN

Date: 5/12/19

Statement of trustees' responsibilities 31 August 2019

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

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

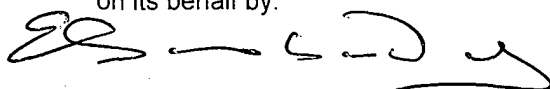
- ◆ In preparing these Financial Statements, the Trustees are required to:
- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- ◆ make judgements and accounting 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 Financial Statements; and
- ◆ prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring 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 Financial Statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 05/12/2019 and signed on its behalf by:



Chair of Trustees
E Soo Bapoo

Independent auditor's report to the members of Langley Park Learning Trust

Opinion

We have audited the financial statements of Langley Park Learning Trust (the 'Academy Trust') for the year ended 31 August 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, 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), 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) (the Charities SORP 2015) and the Academies Accounts Direction 2018 to 2019.

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 August 2019 and of 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 Academies Accounts Direction 2018 to 2019.

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 financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements 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 financial statements is not appropriate; or
- ◆ the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information covers the Reference and Administrative Details, the Report of the Trustees and Strategic Report and the Governance Statement)

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- ◆ the information given in the Trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, has 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the 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 financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, 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 financial statements 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 financial statements.

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

Use of our report

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

Buzzacott LLP

Hugh Swainson (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

16 December 2019

Independent reporting accountant's assurance report on regularity to Langley Park Learning Trust and the Education and Skills Funding Agency

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

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

Respective responsibilities of Langley Park Learning Trust's accounting officer and the reporting auditor

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

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

Approach (continued)

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

The work undertaken to draw to our conclusion includes:

- ◆ An assessment of the risk of material irregularity and impropriety across all of the academy trust's activities;
- ◆ Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- ◆ Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

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 from 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Buzzacott CCP

Buzzacott LLP
Chartered Accountants
130 Wood Street
London
EC2V 6DL

16 December 2019

Statement of financial activities (including income and expenditure account) Year to 31 August 2019

	Notes	Unrestricted general funds £'000	Restricted funds		2019 Total funds £'000	2018 Total funds £'000
			General funds £'000	Fixed assets funds £'000		
Income from:						
Donations and capital grants	1	68	—	7,689	7,757	1,668
Transfer on academies joining the Trust	19	1,501	(450)	26,693	27,744	—
Charitable activities:						
· Funding for the Academy Trust's educational operations	2	195	23,388	—	23,583	13,842
Other trading activities	3	455	76	—	531	94
Investments		12	—	—	12	1
Total		2,231	23,014	34,382	59,627	15,605
Expenditure on:						
Charitable activities						
· Academy trust educational operations	5	735	24,232	1,622	26,589	14,735
Total		735	24,232	1,622	26,589	14,735
Net income (expenditure)		1,496	(1,218)	32,760	33,038	870
Transfers between funds	13	—	—	—	—	—
Other recognised gains and losses						
Actuarial (losses) gains on defined benefit pension scheme	16	—	(2,767)	—	(2,767)	1,062
Net movement in funds		1,496	(3,985)	32,760	30,271	1,932
Reconciliation of funds						
Total fund balances brought forward at 1 September 2018		529	(681)	39,337	39,185	37,253
Total fund balances carried forward at 31 August 2019		2,025	(4,666)	72,097	69,456	39,185

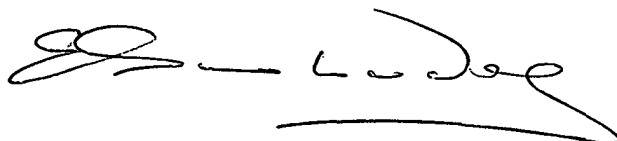
All of the activities derived from continuing operations during the above two financial periods.

All recognised gains and losses are included in the Statement of Financial Activities.

Balance sheet 31 August 2019

	Notes	2019 £'000	2019 £'000	2018 £'000	2018 £'000
Fixed assets					
Tangible fixed assets	10		<u>71,775</u>		<u>39,081</u>
Current assets					
Debtors	11	462		936	
Cash at bank and in hand		<u>5,174</u>		<u>2,223</u>	
		5,636		3,159	
Liabilities					
Creditors: amounts falling due within one year	12	<u>(1,131)</u>		<u>(933)</u>	
Net current assets			<u>4,505</u>		<u>2,226</u>
Total assets less current liabilities			<u>76,280</u>		<u>41,307</u>
Pension scheme liability	16		<u>(6,824)</u>		<u>(2,122)</u>
Total net assets			<u>69,456</u>		<u>39,185</u>
Funds of the Academy					
Restricted funds					
Fixed assets fund	13		72,097		39,337
Restricted income fund	13		2,158		1,441
Pension reserve	13		<u>(6,824)</u>		<u>(2,122)</u>
			67,431		38,656
Unrestricted funds					
General fund	13		2,025		529
Total funds			<u>69,456</u>		<u>39,185</u>

The financial statements on page 28 to 53 were approved by the trustees, and authorised for issue on 05/12/2019 2019 and are signed on their behalf by:



E Soobadoo

Chair of Trustees

Langley Park Learning Trust
Company Limited by Guarantee
Registration Number: 07697400 (England and Wales)

Statement of cash flows Year to 31 August 2019

	Note	2019 £'000	2018 £'000
Net cash flow from operating activities			
Net cash provided by (used in) operating activities	A	2,873	(92)
Cash flows from investing activities	B	78	(161)
Change in cash and cash equivalents in the year		2,951	(253)
Reconciliation of net cash flow to movement in net funds:			
Cash and cash equivalents at 1 September 2018		2,223	2,476
Cash and cash equivalents at 31 August 2019	C	5,174	2,223

A Reconciliation of income to net cash flow from operating activities

	2019 £'000	2018 £'000
Net income for the year (as per the statement of financial activities)	33,038	870
Adjusted for:		
Inherited tangible asset	(26,693)	—
Donated fixed assets	(6,726)	—
Depreciation (note 10)	1,622	741
Capital grants from DfE and other capital income	(963)	(1,603)
Interest receivable	(12)	(1)
Defined benefit pension scheme obligation inherited	1,193	—
Defined benefit pension scheme cost less contributions payable (note 16)	637	171
Defined benefit pension scheme finance cost (note 16)	105	64
Decrease (increase) in debtors	474	(323)
Increase (decrease) in creditors	198	(11)
Net cash provided by (used in) operating activities	2,873	(92)

B Cash flows from investing activities

	2019 £'000	2018 £'000
Dividends, interest and rents from investments	12	—
Purchase of tangible fixed assets	(897)	(1,765)
Capital grants from DfE/ESFA	963	1,603
Net cash provided by (used in) investing activities	78	(162)

C Analysis of cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	5,174	2,223
Total cash and cash equivalents	5,174	2,223

Statement of accounting policies

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

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are presented in sterling and are rounded to the nearest thousand pounds.

Going concern

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

Income

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

Grants

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

Income (continued)

Grants (continued)

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

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

Sponsorship income

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

Donations

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

Other income

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

Donated goods, facilities and services

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

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 should be 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.

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 allocated on the portion of the asset's use.

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.

All expenditure is stated net of recoverable VAT.

Tangible fixed assets

Assets costing £5,000 or more per item (or less if they form part of a larger purchase or project where the total cost exceeds £25,000) are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

♦ Freehold buildings	2% per annum
♦ Long leasehold buildings	2% per annum
♦ IT equipment	33.33% per annum
♦ Plant and machinery	2% per annum

Tangible fixed assets (continued)

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.

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.

Leased assets

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

Financial Instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 11. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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 as detailed in notes 12. 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. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Taxation

The Academy 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 is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions 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 16, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy Trust at the discretion of the Trustees.

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

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

Agency arrangements

Where the Academy Trust acts as agent in collecting and / or distributing from the ESFA or others, and subsequent disbursements are excluded from the Statement of Financial Activities as the Trust does not have control over charitable application of the funds. The funds received and paid, and any balances held are disclosed in note 18.

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 16, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

In preparing these Financial Statements, the Trustees have not needed to exercise any subjective judgements that would be critical to the Academy Trust's Financial Statements.

1 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed assets funds £'000	2019 Total funds £'000
Capital grants	—	—	963	963
Donated fixed assets	—	—	6,726	6,726
Other donations	68	—	—	68
2019 Total funds	68	—	7,689	7,757

	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed assets funds £'000	2018 Total funds £'000
Capital grants	—	1,603	—	1,603
Other Donations	—	65	—	65
2018 Total funds	—	1,668	—	1,668

2 Funding for the Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	2019 Total funds £'000
DfE / ESFA revenue grants			
. General Annual Grant (GAG)	—	20,393	20,393
. Other DfE / ESFA	—	1,182	1,182
	—	21,575	21,575
Other government grants			
. Local authority grants	—	707	707
	—	707	707
Other income from the academy's educational operations	195	40	235
Voluntary fund income	—	1,066	1,066
2019 Total funds	195	23,388	23,583

	Unrestricted funds £'000	Restricted funds £'000	2018 Total funds £'000
DfE / ESFA revenue grants			
. General Annual Grant (GAG)	—	12,111	12,111
. Other DfE / ESFA	—	729	729
	—	12,840	12,840
Other government grants			
. Local authority grants	—	375	375
	—	375	375
Other income from the academy's educational operations	170	120	290
Voluntary fund income	—	337	337
2018 Total funds	170	13,672	13,842

3 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	2019 Total funds £'000
Hire of facilities	455	—	455
Catering income	—	76	76
2019 Total funds	455	76	531

3 Other trading activities (continued)

	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>2018 Total funds £'000</i>
<i>Hire of facilities</i>	33	—	33
<i>Catering income</i>	—	61	61
2018 Total funds	33	61	94

4 Expenditure

	<i>Staff costs £'000</i>	<i>Non pay expenditure</i>		<i>2019 Total funds £'000</i>
		<i>Premises £'000</i>	<i>Other costs £'000</i>	
<i>Academy's educational operations</i>				
· <i>Direct costs</i>	16,678	1,296	2,161	20,135
· <i>Allocated support costs</i>	2,626	1,695	2,133	6,454
2019 Total funds	19,304	2,991	4,294	26,589

	<i>Staff costs £'000</i>	<i>Non pay expenditure</i>		<i>2018 Total funds £'000</i>
		<i>Premises £'000</i>	<i>Other costs £'000</i>	
<i>Academy's educational operations</i>				
· <i>Direct costs</i>	9,651	593	1,229	11,473
· <i>Allocated support costs</i>	1,472	1,183	607	3,262
2018 Total funds	11,123	1,776	1,836	14,735

	<i>2019 £'000</i>	<i>2018 £'000</i>
Net income (expenditure) for the year includes:		
Operating leases	112	44
Depreciation	1,622	741
Fees payable to auditor		
· Statutory audit	14	13
· Other services	13	19

5 Charitable activities - academy's educational operations

	2019 Total funds £'000	2018 Total funds £'000
Direct costs	20,135	11,473
Support costs	6,454	3,262
	26,589	14,735

	2019 Total funds £'000	2018 Total funds £'000
Analysis of support costs		
Support staff costs	2,626	1,301
Depreciation	324	148
Technology costs	417	38
Premises costs	1,695	1,035
Other support costs	1,301	685
Governance costs	91	55
Total support costs	6,454	3,262

6 Comparative information

Analysis of income and expenditure in the year ended 31 August 2018 between restricted and unrestricted funds:

	Unrestricted general fund £'000	Restricted funds		2018 Total funds £'000
		General £'000	Fixed assets fund £'000	
Income from				
Donations and capital grants	—	65	1,603	1,668
Charitable activities				
· Funding for the academy's educational operations	170	13,672	—	13,842
Other trading activities	34	60	—	94
Investments	1	—	—	1
Total	205	13,797	1,603	15,605
Expenditure on:				
Charitable activities				
· Academy's educational operations	261	13,648	826	14,735
Total	261	13,648	826	14,735
Net (expenditure) income	(56)	149	777	870
Transfers between funds	(42)	28	14	—
Other recognised gains and losses				
Actuarial gains on defined benefit pension scheme	—	1,062	—	1,062
Net movement in funds	(98)	1,239	791	1,932
Reconciliation of funds				
Total fund balances brought forward at 1 September 2017	627	(1,920)	38,546	37,253
Total fund balances carried forward at 31 August 2018	529	(681)	39,337	39,185

7 Staff

(a) Staff costs

Staff costs during the year were:

	2019 Total funds £'000	2018 Total funds £'000
Wages and salaries	14,290	8,342
Social security costs	1,466	731
Pension costs	3,059	1,623
	18,815	10,696
Supply teacher costs	299	323
Staff restructuring costs	190	104
	19,304	11,123
	2019 £'000	2018 £'000
Staff restructuring costs comprise		
Severance payments		
. Non statutory	118	—
. Statutory	72	63
Other restructuring costs	—	41
	190	104

(b) Staff severance payments

Included in staff restructuring costs are non-statutory severance payments totalling £117,636 (2018 – £63,000). Individually the payments were for £1,450, £2,809, £2,926, £3,211, £3,219, £4,042, £7,203, £7,349, £7,938, £8,526, £17,713, £21,250 and £30,000.

(c) Staff numbers

The average numbers of persons (including senior management team) employed by the Academy during the year was as follows:

Charitable activities	2019 No.	2018 No.
Teachers	241	151
Administration and support	273	158
Management	24	11
	538	320

7 Staff (continued)

(d) Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) fell within the following bands was:

	2019 No.	2018 No.
£60,001 - £70,000	14	3
£70,001 - £80,000	3	3
£80,001 - £90,000	—	1
£90,001 - £100,000	1	—
£110,001 - £120,000	1	1

(e) 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 and national insurance contributions) received by key management personnel for their services to the academy trust was £777,699 (2018 - £509,000).

8 Trustees' remuneration and expenses

The CEO only receives remuneration in respect of services provided undertaking the role of CEO and not in respect of services as trustee. Other trustees did not receive any payments, other than expenses, from the academy in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

	2019 £'000	2018 £'000
A Hudson, CEO and Accounting Officer (2018)	—	115 – 120
. Remuneration	—	15 – 20
. Employer's pension contributions		
J Budden, CEO and Accounting Officer (2019), Staff Trustee (2018)		
. Remuneration	95 – 100	70 – 75
. Employer's pension contributions	20 – 25	10 – 15

During the year ended 31 August 2019, no trustees (2018 – no trustees) received reimbursement for travel and subsistence expenses.

Other related party transactions involving the trustees are set out in note 17.

9 Trustees' and Officers' insurance

The Academy has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

10 Tangible fixed assets

	Freehold land and buildings £'000	Leasehold land and buildings £'000	Plant and machinery £'000	Computer equipment £'000	Total funds £'000
Cost/valuation					
At 1 September 2018	25,348	16,008	613	200	42,169
Transfer of existing academy	26,556	—	55	82	26,693
Donated fixed assets	—	6,726	—	—	6,726
Additions	529	74	86	208	897
At 31 August 2019	52,433	22,808	754	490	76,485
Depreciation					
At 1 September 2018	1,998	665	244	181	3,088
Charge in year	965	426	123	108	1,622
At 31 August 2019	2,963	1,091	367	289	4,710
Net book value					
At 31 August 2019	49,470	21,717	387	201	71,775
At 31 August 2018	23,350	15,343	369	19	39,081

The transfer of freehold land and buildings on 1 September 2018 relates to the land and buildings previously held by the Langley Park School for Boys Academy Trust which was transferred in to Langley Park Learning Trust on this date.

Donated leasehold land and buildings relates to the new school building at Langley Park Primary School which was completed on 1 September 2018. This donation was valued at the cost incurred by the ESFA in the construction of the building.

11 Debtors

	2019 £'000	2018 £'000
Trade debtors	38	10
VAT debtor	183	183
Other debtors	86	24
Prepayments and accrued income	155	719
	462	936

12 Creditors: amounts falling due within one year

	2019 £'000	2018 £'000
Trade creditors	119	—
Taxation and social security	—	52
Other creditors	187	113
Accruals and deferred income	825	768
	1,131	933
Deferred income		
Deferred income at 1 September 2018	238	242
Released during the year	(238)	(242)
Resources deferred in the year	434	238
Deferred income at 31 August 2019	434	238

Deferred income of £269,000 relates to income received in the year for school trips that are taking place in the year ended ending 31 August 2020, the remaining balance relates to deferred rates relief and Universal Free School Meals income.

13 Funds

	Balance at 1 September 2018 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2019 £'000
Restricted general funds					
General Annual Grant (GAG)	968	20,750	(19,869)	—	1,849
Pupil Premium	1	385	(386)	—	—
Other DfE/ESFA grants	132	797	(929)	—	—
Local Authority grants	8	707	(715)	—	—
Other restricted funds	314	1,568	(1,591)	—	291
Hockey Pitch fund	18	—	—	—	18
Pension reserve	(2,122)	(1,193)	(742)	(2,767)	(6,824)
	(681)	23,014	(24,232)	(2,767)	(4,666)
Restricted fixed asset funds					
Transfer on conversion	33,040	26,128	(1,185)	—	57,983
DfE capital grants & donated assets	6,038	7,926	(401)	—	13,563
Capital expenditure from GAG	259	328	(36)	—	551
	39,337	34,382	(1,622)	—	72,097
Total restricted funds	38,656	57,396	(25,854)	(2,767)	67,431
Unrestricted funds					
General funds	529	2,231	(735)	—	2,025
Total unrestricted funds	529	2,231	(735)	—	2,025
Total funds	39,185	59,627	(26,589)	(2,767)	69,456

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

ESFA revenue grant fund and other restricted funds***General Annual Grant (GAG)***

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 2019.

Pension reserve

The pension reserve relates to the deficit on the Trust's share of the Local Government Pension Scheme liability for support staff. Whilst the fund is currently in deficit, the liability is not expected to crystallise in the short-term.

13 Funds (continued)

Fixed asset fund

These funds relate to the Trust's holding of tangible fixed assets. Transfers from the General Annual Grant fund to this fund represents the purchase of tangible fixed assets from GAG funding. Capital funding received for maintenance and refurbishment work is recorded in the fixed asset fund and either capitalised or expended depending on the nature of the expenditure.

Comparative information

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

	Balance at 1 September 2017 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2018 £'000
Restricted general funds					
General Annual Grant (GAG)	94	12,111	(11,206)	(31)	968
Other restricted funds	338	564	(647)	59	314
Pupil Premium	50	229	(278)	—	1
Other government grants	237	375	(604)	—	8
Other DfE/ESFA grants	310	500	(678)	—	132
Hockey Pitch fund	—	18	—	—	18
Pension reserve	(2,949)	—	(235)	1,062	(2,122)
	<u>(1,920)</u>	<u>13,797</u>	<u>(13,648)</u>	<u>1,090</u>	<u>(681)</u>
Restricted fixed asset funds					
Transfer on conversion	33,590	—	(550)	—	33,040
DfE/ESFA capital grants	4,669	1,603	(241)	7	6,038
Capital expenditure from GAG	287	—	(35)	7	259
	<u>38,546</u>	<u>1,603</u>	<u>(826)</u>	<u>14</u>	<u>39,337</u>
Total restricted funds	<u>36,626</u>	<u>15,400</u>	<u>(14,474)</u>	<u>1,104</u>	<u>38,656</u>
Unrestricted funds					
General funds	627	205	(261)	(42)	529
Total unrestricted funds	<u>627</u>	<u>205</u>	<u>(261)</u>	<u>(42)</u>	<u>529</u>
Total funds	<u>37,253</u>	<u>15,605</u>	<u>(14,735)</u>	<u>1,062</u>	<u>39,185</u>

13 Funds (continued)

Analysis of fund balance by Academy

	2019 £'000	2018 £'000
Langley Park School for Boys	2,219	—
Langley Park School for Girls	809	1,073
Clare House Primary School	215	238
Hawes Down Primary School	606	611
Langley Park Primary School	178	2
Central Trust	156	46
Total before fixed assets and pension reserve	4,183	1,970
Restricted fixed asset fund	72,097	39,337
Pension reserve	(6,824)	(2,122)
	69,456	39,185

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

	Teaching and educational support staff £'000	Other support staff costs £'000	Educational supplies £'000	Other costs (excluding depreciation) £'000	Total 2019 £'000
Langley Park School for Boys	6,615	804	1,153	1,205	9,777
Langley Park School for Girls	6,048	757	598	1,107	8,510
Clare House Primary School	1,293	141	128	271	1,833
Hawes Down Primary School	1,775	213	220	381	2,589
Langley Park Primary School	558	75	58	86	777
Central Services	98	291	3	347	739
Total	16,387	2,281	2,160	3,397	24,225

	Teaching and educational support staff £'000	Other support staff costs £'000	Educational supplies £'000	Other costs (excluding depreciation) £'000	Total 2018 £'000
Langley Park Primary School	389	75	71	235	770
Clare House Primary School	1,151	195	120	212	1,678
Langley Park School for Girls	6,306	959	813	693	8,771
Hawes Down Primary School	1,687	243	225	375	2,530
Central Services	118	—	—	127	245
Total	9,651	1,472	1,229	1,642	13,994

14 Analysis of net assets between funds

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Fund £'000	Total 2019 £'000
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	—	—	71,775	71,775
Current assets	2,025	3,289	322	5,636
Current liabilities	—	(1,131)	—	(1,131)
Pension scheme liability	—	(6,824)	—	(6,824)
Total net assets	2,025	(4,666)	71,097	69,456

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Fund £'000	Total 2018 £'000
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	—	—	39,081	39,081
Current assets	529	2,374	256	3,159
Creditors falling due within one year	—	(933)	—	(933)
Pension scheme liability	—	(2,122)	—	(2,122)
Total net assets	529	(681)	39,337	39,185

15 Commitments under operating leases

Operating leases

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

	2019 £'000	2018 £'000
Amounts due within one year	7	7
	7	7

16 Pension and similar obligations

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

16 Pension and similar obligations (continued)

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

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

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools, colleges and other educational establishments. Membership is automatic for teachers and lecturers at eligible institutions. Teachers and lecturers are able to opt out of the TPS.

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 under arrangements governed by the above Act. Retirement and other pension benefits are paid by public funds provided by Parliament. Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension plan. The Academy Trust is unable to identify its share of the underlying assets and liabilities of the plan.

Accordingly, the Academy Trust has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan. The Academy Trust has set out above the information available on the plan and the implications for the Academy Trust in terms of the anticipated contribution rates.

The valuation of the TPS is carried out in line with regulations made under the Public Service Pension Act 2013. Valuations credit the teachers' pension account with a real rate of return assuming funds are invested in notional investments that produce that real rate of return.

The latest actuarial review of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education (DfE) in April 2019. The valuation reported total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £198 billion, giving a notional past service deficit of £22 billion.

As a result of the valuation, new employer contribution rates were set at 23.68% of pensionable pay from September 2019 onwards (compared to 16.48% during 2018/9). The Department for Education has agreed to pay a teacher pension employer contribution grant to cover the additional costs during the 2019-20 academic year.

A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website.

The employer's pension costs paid to TPS in the year amounted to £1,661k (2018: £980k)

16 Pension and similar obligations (continued)***Local Government Pension Scheme (LGPS)***

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £944k (2018: £584k) of which employer's contributions totalled £761k (2018: £472k) and employees' contributions totalled £183k (2018: £112k). The agreed contribution rates for future years are 23.8% for employers and 5.5% to 12.5% for employees.

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

Principal Actuarial Assumptions	At 31 August 2019	At 31 August 2018
Rate of increase in salaries	3.50%	3.65%
Rate of increase for pensions in payment / inflation	2.10%	2.25%
Discount rate for scheme liabilities	1.80%	2.85%

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

	At 31 August 2019	At 31 August 2018
<i>Retiring today</i>		
Males	23.5	23.4
Females	26.2	26.1
<i>Retiring in 20 years</i>		
Males	26.2	26.1
Females	28.5	28.4

The Academy's share of the assets and liabilities in the scheme were:

	Fair value at 31 August 2019 £'000	Fair value at 31 August 2018 £'000
Equities	7,159	4,150
Corporate bonds	735	404
Property	701	211
Government bonds	475	404
Other	2,238	1,221
Total market value of assets	11,308	6,390

16 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

The actual return on scheme assets was £777k.

The scheme net liabilities would be affected in changes in assumptions as follows:

Sensitivity analysis	2019 £'000	2018 £'000
Discount rate +0.1%	367	162
Mortality assumption – 1 year increase	(321)	(153)
CPI rate +0.1%	(372)	(24)

Amounts recognised in statement of financial activities	2019 £'000	2018 £'000
Current service cost	954	634
Past service cost	444	—
Interest income	(263)	(136)
Interest cost	368	200
Admin expenses	22	—
Total amount recognised in the SOFA	1,525	698

Changes in the present value of defined benefit obligations were as follows:	2019 £'000	2018 £'000
At 1 September 2018	8,512	8,376
Transferred in on existing academies joining the trust	4,657	—
Current service cost	954	631
Past service cost	444	—
Interest cost	368	200
Employee contributions	183	112
Actuarial loss (gain)	3,260	(712)
Benefits paid	(246)	(95)
At 31 August 2019	18,132	8,512

Changes in the fair value of the Academy's share of scheme assets:	2019 £'000	2018 £'000
At 1 September 2018	6,390	5,427
Transferred in on existing academies joining the trust	3,464	—
Interest income	263	124
Actuarial gain	493	350
Employer contributions	761	472
Employee contributions	183	112
Benefits paid	(246)	(95)
At 31 August 2019	11,308	6,390

17 Related party transactions

Owing to the nature of the Academy's operations and the composition of the Board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a member of the trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

The academy trust did not enter into any related party transactions in the year.

18 Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2019 the academy trust received £65,320 (2018: £35,438) from the ESFA and £29,299 on the transfer of Langley Park School for Boys in to the trust. The Academy Trust disbursed £67,484 (2018: £23,070). An amount of £58,962 (2018: £31,827) is included in other creditors.

19 Transfer of academies in to the Trust

During the year ended 31 August 2019, one academy; Langley Park School for Boys joined the Langley Park Learning Trust from an existing trust. At the date of transfer, the operations and assets and liabilities were transferred to the group for £nil consideration

The transfers have been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the statement of financial activities.

No fair value adjustments were made to the value reported by the transferring trust.

Langley Park School for Boys

On 1 September 2018, Langley Park School for Boys joined the Trust.

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total £'000
Tangible fixed assets				
Freehold land and buildings	—	—	26,556	26,556
Other tangible fixed assets	—	—	137	137
Budget surplus on ESFA and LA fund	1,501	743	—	2,244
LGPS pension deficit	—	(1,193)	—	(1,193)
Net asset	1,501	(450)	26,693	27,744