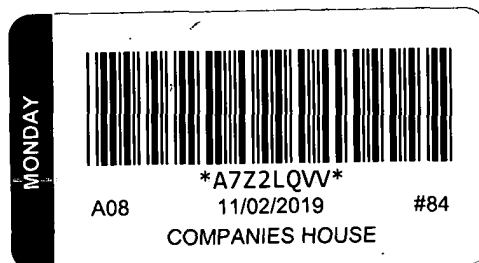


THE CHELMSFORD LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018



THE CHELMSFORD LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

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THE CHELMSFORD LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018

Members	G Box J Wood (appointed 25 January 2018) R Bird P Wershof (appointed 26 March 2018) R Ayling (appointed 25 January 2018)
Trustees	P Banks, (Chief Executive Officer & Accounting Officer) R Bird, (Chair) G Box, (Vice Chair and Chair of Audit Committee) A G Brookes L Johnson (resigned 23 March 2018) S Jones N Kershaw M Mackrory (resigned 26 March 2018) M Maul (resigned 26 March 2018) G Scott (resigned 26 March 2018) J Wood, (Chair of Finance Committee) G Rogers R Ayling (appointed 13 November 2017) K Cocksedge (appointed 26 March 2018) R K Blundell (appointed 26 March 2018) P L Edwards (appointed 26 March 2018) L Whitehouse (appointed 26 March 2018)
Company registered number	07907388
Company name	The Chelmsford Learning Partnership
Principal and registered office	Burnham Road Chelmsford Essex CM1 6LY
Company Secretary	R Sheridan
Senior Management Team	P Banks, Chief Executive Officer R Sheridan, Chief Finance Officer
Independent Auditors	Price Bailey LLP Chartered Accountants Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT

THE CHELMSFORD LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

The Trustees present their Annual Report together with the financial statements and Auditor's Report of The Chelmsford Learning Partnership (The Trust or the Charitable Company) for the year ended 31 August 2018. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law. The Trust operates 2 infant schools, 1 junior school, 1 primary school, 1 all-through school and 2 secondary school academies serving a catchment area in Essex. The Academies have a combined capacity of 4,010 students and had a roll of 4,033 in the 2018 census.

Structure, Governance and Management

The Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are its primary governing documents. The Trustees of The Charitable Company are also the Directors for the purposes of company law. The terms Trustee and Director are interchangeable. The Charitable Company includes the following Academies:

- | | |
|-------------------------------------|---|
| • The Boswells School (BOS) | converted on 1/Feb/2012 |
| • Roding Valley High School (RHVS) | converted and joined the Trust on 1/Jun/2018 |
| • Barnes Farm Infant School (BFIS) | converted and joined the Trust on 1/Jul/2018 |
| • Barnes Farm Junior School (BFJ) | converted and joined the Trust on 1/Jul/2018 |
| • Perryfields Infant School (PFI) | converted and joined the Trust on 1/Jul/2018 |
| • The Tyrrells Primary School (TYR) | converted on 1/Nov/2011 and Joined the Trust on 1/Jul/2018. |

The operation of The Trust's Academies and employment of staff are the responsibility of the Trustees. The Trust retains control of Academy budgets and finances and monitors these through its Finance Committee. Throughout this report the Board of Trustees is referred to as the Main Governing Body (MGB). Each Academy has appointed Local Governing Bodies (LGB) who have delegated authority to administer their Academy within agreed budgets.

Details of the Trustees who served throughout the period are included in the Reference and Administrative Details section. Within this Report the term Trustee refers to a member of the MGB and the term Governor to a member of an LGB. Details of the Trustees who served during the year are included in the Reference and Administrative Details section.

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 and Officers' Indemnities

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees, Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £2,000,000 on any one claim and details of the costs are disclosed in Note 10 to the accounts.

Method of Recruitment and Appointment or Election of Trustees

The arrangements are as set out in the Articles and Funding Agreement.

Trustees are appointed for a fixed term. The Chief Executive Officer (CEO) is an ex officio member of the MGB. Other Trustees are elected to office or appointed if there are insufficient candidates offering themselves for election. The Articles of Association make provision for 10 Trustees plus the CEO.

THE CHELMSFORD LEARNING PARTNERSHIP
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Policies and Procedures Adopted for the Induction and Training of Trustees and Governors

The Trust is committed to providing adequate opportunities for Trustees and Governors to undertake and receive suitable training so as to enable them to perform their role effectively. To this end The Trust links with a number of local training providers. New Trustees are required to attend a training programme. The induction programme would involve a tour of the relevant Academy or Academies, meetings with students and staff and provision of policy and procedures documents that are appropriate to the role they undertake with particular emphasis on the committee work that they will undertake.

Organisational Structure

The governance of the Trust is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education.

The MGB, meets on at least 6 occasions per year and its 6 sub committees (Finance; Premises; Staff and Student; Curriculum and Standards; and Audit) at least 3 times per year with the Finance Committee meeting monthly. There is also a pay committee that meets at least twice a year. The MGB is responsible for the strategic direction of the Trust. The Trustees are responsible for setting strategic policy, adopting an annual plan and budget, monitoring The Trust by the use of those budgets and making major decisions about the direction of The Trust, capital expenditure and senior staff appointments. The Governors within their LGB's are responsible for implementing strategic policy, ensuring the appropriateness of annual budgets and capital expenditure projects for their Academy and monitoring performance against that budget and authorised capital limits. The Trust operates a very clear Scheme of Delegation.

The Senior Leadership Teams (SLT's) control the Academies at an executive level implementing policies and reporting to their LGB. Each SLT is responsible for the day to day operation of their Academy, in particular organising staff, resources and students. They are responsible for the authorisation of spending within agreed budgets and for the appointment of staff following vetting and safeguarding recruitment processes.

The Senior Management Team (SMT) looks across the Trust and aligns local SLT and LGB activity with the strategic aims of The Trust as a whole.

The Trust's CEO is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

Key management personnel include Trustees and those staff to whom the Trustees have delegated significant authority and responsibility in the day-to-day running of the Trust.

Pay and remuneration of key management personnel is decided by a variety of contributory factors, such as the Academy group size, ISR, the pay scales for each role and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the Trust's appointment and pay policies.

The pay arrangements for the CEO, CFO and Headteachers are set by the MGB. The pay arrangements for all other staff are determined by the Headteachers/LGBs of each Academy in line with the Trust's pay policy.

Trade union facility time

In the year 2017-2018, no staff have requested trade union facility time.

THE CHELMSFORD LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

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

Related Parties and other Connected Charities and Organisations

Owing to the nature of the Trust's operations and the composition of the MGB being drawn from local public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations in which Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procedures. Any transaction where the Trustee may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academies Financial Handbook. There were no transactions last year that involved a Trustee.

The Trust did not co-operate with any organisations during the academic year in pursuit of its charitable activities.

The Trust does not have a formal sponsor.

Objectives and Activities

Objects and Aims

The principal object and aim of the Charitable Company is the operation of a number of Academies to provide free education and care for pupils of different abilities within its local community between the ages of 4 and 18.

Objectives, Strategies and Activities

The aims of the Trust are:

- Inspire curiosity and a lifelong love of learning.
- Overcome the barriers that impact learning.
- Deliver teaching that is outstanding.
- Build capacity for further School improvement.
- Enable every School to be outstanding.
- Obtain best value through economies of scale.
- Incorporate a shared level of accountability for the achievements and well-being of children.
- Retain the distinct ethos and character of each School.

During the year the Trust has worked towards these aims by:

- Establishing the MAT.
- Developing school to school review processes.
- Supporting specific parts of each School's School Development Plan.
- Developed local 'improvement' hubs.
- Developed a process of 'portfolio' leadership to ensure school leaders take responsibility for areas of school improvement beyond their own School.

Our success in fulfilling our aims can be measured by:

- Improved outcomes at The Boswells School and Roding Valley High School.
- Excellent KS1 and KS2 outcomes in all our primary Schools.
- All Schools continue to be rated as 'Outstanding' or 'Good' by OFSTED.
- Clear financial planning that has brought about savings and efficiencies by working together.

Public Benefit

The Trustees believe that by working towards the objects and aims of the Trust as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

THE CHELMSFORD LEARNING PARTNERSHIP
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Strategic Report

Achievements and Performance

The Trust continued its mission to ensure that students achieved their potential in public examinations; encouraged a wide range of extra-curricular activities; developed and retained suitable staff and guided students in suitable progression when they left their Academy.

Specific achievements were as follows:

- The attainment of students at GCSE at The Boswells School for Grade 5+ (strong passes) in English and Mathematics was significantly above the national average.
 - The attainment of students at GCSE at The Boswells School was significantly above the national average in the following subjects: Art and Design, Biology, Chemistry, Combined Science, Computer Science, Dance, German, History, Media Studies, Music, Physics and Spanish.
 - At A Level at The Boswells School, 68% of all grades were awarded at A*-B and 93% A*-C, making the School the highest performing school in Essex for A Levels (excluding grammar schools). This places the School in the top 2% of all schools in the country for A Level attainment.
 - The attainment of students at Roding Valley High School for Grade 4+ (good passes) in English and Mathematics was significantly above the national average.
 - The attainment of students at GCSE at Roding Valley High School was significantly above the national average in the following subjects: Art and Design, Biology, Chemistry, Combined Science, Computer Science, Geography, Media Studies, Music and Physics.
 - The percentage of students achieving A*-B grades at A Level at Roding Valley High School increased by 9% from the previous year.
 - The percentage of students working at the phonics standard was above the national average in Perryfields Infants School and The Tyrrells School and in line with the national average at Barnes Farm Infants School.
 - At Key Stage 2 SAT, the percentage of students achieving the expected standard in Reading, Writing and Maths was significantly above the national average in Barnes Farm Junior School and significantly above the national average in Reading at The Tyrrells School.
- It should be noted that Barnes Farm Infants School, Barnes Farm Junior School, Perryfields Infants School and The Tyrrells Primary School joined the trust in July 2018 after the Phonics, KS1 and KS2 tests had been undertaken.

Key Performance Indicators

The Trustees receive regular information at each committee meeting to enable them to monitor the performance of the Trust compared to aims, strategies and financial budgets.

As funding is based on pupil numbers this is a key performance indicator. Total pupil numbers for 2018 were 4,033 against a forecast of 4,060.

Another key financial performance indicator is staffing costs as a percentage of total income. For 2017/18 this was between 70-77% against set parameters of 80-87% The Trustees are confident that staffing levels are closely monitored to agreed Full Time Equivalents and staffing structures all approved by the MGB.

The Finance Committee and The Premises Committee also monitor premises costs to GAG income, capitation spend for curriculum departments to GAG income, total income less grants and cash flow on a regular basis to ensure that the budget is set and managed appropriately. All of the above KPI's were within the parameters set by the MGB.

THE CHELMSFORD LEARNING PARTNERSHIP
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial Review

The principal source of funding for the Trust is the General Annual Grant (GAG) and other grants that it receives from the Education and Skills Funding Agency (ESFA). For the year ended 31 August 2018 the Trust received £9,982k of GAG and other funding. A high percentage of this income is spent on wages and salaries and support costs to deliver the Trust's primary objective of the provision of education. During the year the Trust spent £9,431k on expenditure and transferred £Nil to support capital new build and improvement projects on the various academy sites. The Trust brought forward from 16/17, £102k restricted funds and £Nil unrestricted funding. The carry forward for 17/18 is £415k restricted funding and £1,919k unrestricted funding.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Trust is recognising a significant pension fund deficit of £7,584k. This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

Reserves Policy

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure. The Trustees monitor estimated year-end carry forward figures via the monthly reports from the CFO. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £2,334k. This has been built up from a mixture of locally raised income and balances transferred from the predecessor schools.

The Trustees are holding other unrestricted funds of £1,918k to cover future increases in costs and expenditure that may arise from uninsurable losses. The Trust holds £1,200k for in year contingencies and to assist in making strategic decisions to keep in line with national funding changes and curriculum needs.

The Trust's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2018 was £2,334k.

The cash balance of the Trust has been very healthy all year, ending the year with a balance of £1,758k. A significant proportion of this cash is held against specific projects and is not available to meet normal recurring expenditure. The Trustees monitor cash flow as part of the committee CFO reports and attempt to hold a minimum of £1,200k to cover short term cash flow variances.

Investment Policy

The trust does not invest any of its funds.

THE CHELMSFORD LEARNING PARTNERSHIP
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Principal Risks and Uncertainties

The Trust works with the LGB's in maintaining a central risk register identifying the major risks, to which each Academy is exposed, and identifying actions and procedures to mitigate those risks. Each Committee of the Trust also looks at the risk register pertinent to that Committee. This register is approved at each meeting and is monitored by the MGB via the Audit Committee and the with a formal review of the process undertaken on an annual basis. The internal control systems and the exposure to identified risks are monitored on behalf of the Trustees at each Committee meeting. The principal risks facing the Trust are outlined below; those facing the Academies at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As a group of academy schools, the level of financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as sickness and maternity.

The Trustees assess the other principal risks and uncertainties facing the Trust as follows:

- each Academy has considerable reliance on continued Government funding through the ESFA and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms;
- failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks;
- reputational - the continuing success of the individual Academies is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student progress and outcomes are closely monitored and reviewed;
- safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline;
- staffing - the success of the Academies is reliant on the quality of its staff and the Trustees monitor and review policies and procedures and recruitment to ensure continued development and training of staff as well as ensuring there is clear succession planning;
- fraud and mismanagement of funds - The Trust has appointed EES to carry out independent and external checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep up to date with financial practice requirements and develop their skills in this area;
- financial instruments – the Trust only deals with bank balances, cash and trade creditors, with limited trade (and other) debtors. The risk in this area is considered to be low; and
- defined benefit pension liability – as the Government has agreed to meet the defined benefit pension liability of any Academy ceasing to exist the main risk to the Trust is an annual cash flow funding of part of the deficit. Trustees take these payments into account when setting the annual budget plan.

The Trust and each Academy have continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness.

THE CHELMSFORD LEARNING PARTNERSHIP
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Fundraising

The Trust only held small fundraising events during the year including Sports For Schools. The Trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. During the year no complaints or issues have arisen as a result of the fundraising events.

Plans for Future Periods

The trust has a number of plans for the future. The recent rapid expansion of the Trust, from 1 School in the MAT to 7 Schools has meant that there are key objectives for the Trust in the next 12 months:

- Continue to raise attainment and rates of progress of students in all Schools to allow them to perform above expectations based on their starting points.
- Develop a capital programme that looks at the effective distribution of SCA and other capital funds across the trust.
- Ensure the opening of the secondary phase of the new build at The Beaulieu Park School for Year 7 students in September 2019.
- To continue to make efficiency savings across all Schools by using the economies of scale of a large company in ordering/negotiating contracts.
- To develop a Trust wide approach to professional development and training.
- To undertake a review of governance across all LGB's and The MGB.

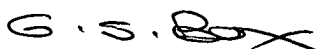
These are key elements of the Trust Improvement Plan that is reviewed regularly by Trustees.

Auditor

Insofar 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.

The Trustees' Report, incorporating a Strategic Report, was approved by the MGB on 10.12.18 and signed on its behalf by:



G Box
Vice Chair of Trustees

THE CHELMSFORD LEARNING PARTNERSHIP
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that The Chelmsford Learning Partnership 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 MGB has delegated the day-to-day responsibility to the CEO, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Chelmsford Learning Partnership and the Secretary of State for Education. They are also responsible for reporting to the MGB 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 MGB has formally met 6 times during the year. Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
P Banks	6	6
R Bird	6	6
G Box	4	6
A G Brookes	5	6
L Johnson	2	3
S Jones	6	6
N Kershaw	6	6
M Mackrory	3	5
M Maul	5	5
G Scott	4	4
J Wood	4	6
G Rogers	4	6
R Ayling	2	6
K Cocksedge	2	2
R K Blundell	2	2
P L Edwards	2	2
L Whitehouse	3	3

The MGB consists of at least 11 Trustees (including the CEO) and has a Chair of Trustees. The MGB usually meets 6 times per year. The Trust has a number of Committees that meet on a termly basis:

- Premises
- Audit
- Staff and Student
- Curriculum

There is also a Finance Committee that meets monthly and a Pay Committee that meets twice a year.

An external review of governance is planned for the summer term of 2019.

THE CHELMSFORD LEARNING PARTNERSHIP
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GOVERNANCE STATEMENT (continued)

The Finance Committee is a sub-committee of the MGB. Its purpose is to:

- Consider the Trust's indicative funding, notified annually by the DfE, and to assess its implications for the Trust in consultation with the CFO and CEO, in advance of the financial year, drawing any matters of significance or concern to the attention of the MGB;
- consider and recommend acceptance/non-acceptance of the trust's budget at the start of each financial year;
- contribute to the formulation of the Trust's development plan, through the consideration of financial priorities and proposals, in consultation with the CEO, with the stated and agreed aims and objectives of the Trust;
- receive and make recommendations on the broad budget headlines and areas of expenditure to be adopted each year, including the level and use of any contingency fund or balances, ensuring the compatibility of all such proposals with the development priorities set out in the development plan.
- liaise with and receive reports from the Staff/Student and Curriculum Committees, as appropriate, and to make recommendation to those Committees about the financial aspects of matters being considered by them;
- monitor and review expenditure on a regular basis and ensure compliance with the overall financial plan for the Trust, and with the financial regulations of the DfE, drawing any matters of concern to the attention of the MGB;
- monitor and review procedures for ensuring effective implementation and operation of financial procedures on a regular basis, including the implementation of bank account arrangements and, where appropriate, to make recommendations for improvement;
- prepare the financial statement to form part of the Annual Report of Trustees to parents and for filing in accordance with Companies Act and Charity Commission requirements;
- receive Auditors' reports and to recommend to the MGB action as appropriate in response to audit findings; and
- recommend to the MGB the appointment or reappointment of the Auditors of the Trust.

The Committee is comprised of a number of experienced Trustees with a background in finance, including the CFO of a large private company and a Trustee with over 30 years experience in public finance.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
J Wood, (Chair of Finance Committee)	7	8
G Rogers	0	1
A G Brookes	8	8
K Cocksedge	2	2
L Whitehouse	2	2
M Mackrory	8	8
N Kershaw	1	1
P Banks	7	8
P L Edwards	1	2
R Bird	8	8
S Jones	0	1

THE CHELMSFORD LEARNING PARTNERSHIP
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GOVERNANCE STATEMENT (continued)

The Audit Committee is also a sub-committee of the MGB. Its purpose is to:

- Review the internal and external financial statements and reports to ensure that the data within them is robust and that they reflect best practice;
- discuss with the external Auditor the nature and scope of each forthcoming audit and to ensure that the external Auditor has the fullest co-operation of staff;
- consider all relevant reports by the appointed external Auditor and/or any other authorised auditor, including reports on each Academy's accounts, achievement of value for money and the response to any findings (management letters);
- monitor the effectiveness and adequacy of the Trust's internal control system, ensuring that it is fit for its purpose of ensuring that the aims, objectives and key performance targets of the organisation are being implemented successfully, whilst delivering value for money; safeguarding public funds; and meeting statutory requirements;
- review the effectiveness of the Trust's risk management system;
- ensure that the Trust's internal audit meets or exceeds the standards specified in the Academies Financial Handbook, complies in all other respects with these guidelines and meets the agreed levels of service;
- ensure that the MGB and the Committees are meeting all requirements in relation to GDPR;
- consider and advise the MGB on the Trust's annual and long-term audit programme;
- consider internal audit reports, including value-for-money reports and the arrangements for their implementation;
- review the operation of the Trust's set of expectations for Trustees as set out in the Trustees Handbook, and the code of conduct for staff;
- consider any other matters where requested to do so by the MGB; and report at least once a year to the MGB on the discharge of the above duties.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
G Box, (Chair of Audit Committee)	3	3
G Rogers	2	3
K Cocksedge	1	1
N Kershaw	3	3
P Banks	3	3
S Jones	2	3

REVIEW OF VALUE FOR MONEY

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

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the MGB where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer has delivered improved value for money during the year by:

- Tendering for electrical works to The Boswells School. The Trust tendered for the following work after money was allocated as part of a CIF bid. The tender process was robust and the work was completed on budget and delivered on time;
- renegotiating the print solution for one of the larger Schools in the Trust reducing the cost to the School whilst, at the same time, ensuring a highly effective print solution for students and staff; and
- carrying out a tender process for the installation of servers and IT provision at the new Beaulieu Park School. Again, the competitive tender process ensured that best value and a high level of specification and quality of service was achieved.

THE CHELMSFORD LEARNING PARTNERSHIP
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GOVERNANCE STATEMENT (continued)

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Chelmsford Learning Partnership for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the Annual Report and financial statements.

CAPACITY TO HANDLE RISK

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

THE RISK AND CONTROL FRAMEWORK

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

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

The MGB has considered the need for a specific internal audit function and has decided to appoint Essex Education Services (EES) as Internal Auditor.

The Internal Auditor's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. In particular the checks carried out in the current period included:

- Income.
- Expenditure.
- Governance.
- Processes, checks and systems.

On a termly basis, the Internal Auditor reports to the MGB through the Finance Committee on the operation of the systems of control and on the discharge of the MGB's financial responsibilities.

The Internal Auditor delivered their schedule of works as planned and no material control issues were identified.

THE CHELMSFORD LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

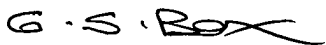
REVIEW OF EFFECTIVENESS

As Accounting Officer, the CEO has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the Internal Auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process; and
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by the MGB on 10.12.18 and signed on their behalf, by:



G Box
Vice Chair of Trustees



P Banks
Accounting Officer

THE CHELMSFORD LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

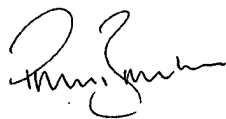
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Chelmsford Learning Partnership I have considered my responsibility to notify the Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Trust, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

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

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the Board of Trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA:

During the year fines at a net cost of £26,000 were charged to the Trust following an instance of non-compliance with the Health and Safety At Work Act 1974, Section 2, Sub Section 0 and an instance of non-compliance with the Health and Safety At Work Act 1974, Section 3, Sub Section 0. These instances of non-compliance were associated with an offence dated 1 February 2012.



P Banks
Accounting Officer

THE CHELMSFORD LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

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

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

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

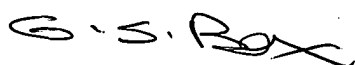
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

Approved by the MGB on 10.12.18 and signed on its behalf by:



G Box
Vice Chair of Trustees

THE CHELMSFORD LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
CHELMSFORD LEARNING PARTNERSHIP**

OPINION

We have audited the financial statements of The Chelmsford Learning Partnership (the 'Trust') for the year ended 31 August 2018 which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

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

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our Report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

OTHER INFORMATION

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

THE CHELMSFORD LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
CHELMSFORD LEARNING PARTNERSHIP**

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Trust 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 Statement of Trustees' Responsibilities, the Trustees (who are also the Directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

THE CHELMSFORD LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
CHELMSFORD LEARNING PARTNERSHIP**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

USE OF OUR REPORT

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

Gary Miller (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants
Statutory Auditors

Causeway House

1 Dane Street

Bishop's Stortford

Hertfordshire

CM23 3BT

19 December 2018

THE CHELMSFORD LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THE
CHELMSFORD LEARNING PARTNERSHIP AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 11 October 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Chelmsford Learning Partnership during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

RESPECTIVE RESPONSIBILITIES OF THE CHELMSFORD LEARNING PARTNERSHIP'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of The Chelmsford Learning Partnership's funding agreement with the Secretary of State for Education dated 1 February 2012, and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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

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

THE CHELMSFORD LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THE
CHELMSFORD LEARNING PARTNERSHIP AND THE EDUCATION & SKILLS FUNDING AGENCY**
(continued)

The work undertaken to draw our conclusion includes:

- consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance;
 - evaluation of the general control environment of the Trust, extending the procedures required for financial statements to include regularity;
- discussions with and representations from the Accounting Officer and other key management personnel; and
- an extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, propriety and compliance in particular checking that selected items were appropriately authorised, and appropriate.

CONCLUSION

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

We noted during the course of our work, an instance of non-compliance with the Health and Safety At Work Act 1974, Section 2, Sub Section 0 and an instance of non-compliance with the Health and Safety At Work Act 1974, Section 3, Sub Section 0. These instances of non-compliance were associated with an offence dated 1 February 2012 however fines at a net cost of £26,000 were not charged until 19 December 2017.

Reporting Accountant

Price Bailey LLP

Chartered Accountants

19 December 2018

THE CHELMSFORD LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
INCOME FROM:						
Transferred on conversion	2	1,166	(2,900)	36,073	34,339	-
Transferred on existing						
Academies joining the Trust	2	387	(804)	4,738	4,321	-
Donations	2	-	91	-	91	53
Capital grants	2	-	-	1,112	1,112	225
Charitable activities	3	310	9,982	-	10,292	7,383
Other trading activities	4	955	-	-	955	557
Other income		1	-	-	1	-
TOTAL INCOME		<u>2,819</u>	<u>6,369</u>	<u>41,923</u>	<u>51,111</u>	<u>8,218</u>
EXPENDITURE ON:						
Charitable activities		900	9,964	660	11,524	8,345
TOTAL EXPENDITURE	5	<u>900</u>	<u>9,964</u>	<u>660</u>	<u>11,524</u>	<u>8,345</u>
NET INCOME /						
(EXPENDITURE) BEFORE						
OTHER RECOGNISED						
GAINS AND LOSSES						
		1,919	(3,595)	41,263	39,587	(127)
Actuarial gains on defined						
benefit pension schemes	22	-	738	-	738	421
NET MOVEMENT IN FUNDS		<u>1,919</u>	<u>(2,857)</u>	<u>41,263</u>	<u>40,325</u>	<u>294</u>
RECONCILIATION OF FUNDS:						
Total funds brought forward		-	(4,312)	6,738	2,426	2,132
TOTAL FUNDS CARRIED		<u>1,919</u>	<u>(7,169)</u>	<u>48,001</u>	<u>42,751</u>	<u>2,426</u>
FORWARD		<u><u>1,919</u></u>	<u><u>(7,169)</u></u>	<u><u>48,001</u></u>	<u><u>42,751</u></u>	<u><u>2,426</u></u>

THE CHELMSFORD LEARNING PARTNERSHIP

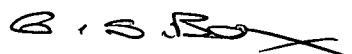
(A Company Limited by Guarantee)

REGISTERED NUMBER: 07907388

**BALANCE SHEET
AS AT 31 AUGUST 2018**

	Note	£000	2018 £000	2017 £000
FIXED ASSETS				
Tangible assets	12		47,977	6,517
CURRENT ASSETS				
Debtors	13	1,865		161
Cash at bank and in hand		1,758		407
		<u>3,623</u>		<u>568</u>
CREDITORS: amounts falling due within one year	14	<u>(1,265)</u>		<u>(449)</u>
NET CURRENT ASSETS			2,358	119
TOTAL ASSETS LESS CURRENT LIABILITIES			50,335	6,636
Defined benefit pension scheme liability	22		<u>(7,584)</u>	<u>(4,210)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>42,751</u>	<u>2,426</u>
FUNDS OF THE TRUST				
Restricted income funds:				
Restricted income funds	15	415		(102)
Restricted fixed asset funds	15	48,001		6,738
		<u>48,416</u>		<u>6,636</u>
Restricted income funds excluding pension liability				
Pension reserve		<u>(7,584)</u>		<u>(4,210)</u>
Total restricted income funds			40,832	2,426
Unrestricted income funds	15		<u>1,919</u>	<u>-</u>
TOTAL FUNDS			<u>42,751</u>	<u>2,426</u>

The financial statements on pages 21 to 49 were approved by the Trustees, and authorised for issue, on 10.12.18 and are signed on their behalf, by:



G Box
Vice Chair of Trustees

THE CHELMSFORD LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £000	2017 £000
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	17	1,283	(44)
Cash flows from investing activities:			
Purchase of tangible fixed assets		(1,044)	(28)
Capital grants from DfE Group		1,112	225
Net cash provided by investing activities		68	197
Change in cash and cash equivalents in the year		1,351	153
Cash and cash equivalents brought forward		407	254
Cash and cash equivalents carried forward	18	1,758	407

THE CHELMSFORD LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES

The Chelmsford Learning Partnership is a charitable company.

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

1.1 Basis of preparation of financial statements

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

The Chelmsford Learning Partnership constitutes a public benefit entity as defined by FRS 102.

The Trust's functional and presentational currency is Pounds Sterling.

1.2 Company status

The Trust is a company limited by guarantee. The Members of the Company are the Trustees named on page 1. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £10 per Member. The Trust's registered office is The Boswells School, Burnham Road, Chelmsford, Essex, CM1 6LY.

1.3 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 Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

THE CHELMSFORD LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.4 Income

All income is recognised once the Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities incorporating Income and Expenditure Account 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities incorporating Income and Expenditure Account 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.

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 Trust's accounting policies.

Donations are recognised on a receivable basis where receipt is probable and the amount can be reliably measured.

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Where assets are received by the trust on conversion to an Trust, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risk and rewards of ownership pass to the Trust. An equal amount of income is recognised as a transfer on conversion within Income from donations and capital grants.

Where assets are received on the transfer of an existing academy into the Trust, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Trust, which is on signing of the transfer agreement with the transferring Trust. An equal amount of income is recognised for the transfer of an existing academy into the Trust within income and donations and capital grants.

THE CHELMSFORD LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

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

All expenditure is inclusive of irrecoverable VAT.

1.6 Tangible fixed assets and depreciation

All assets costing more than £10,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the Government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities incorporating Income and Expenditure Account 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 incorporating Income and Expenditure Account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold property	-	2% Straight Line
Freehold land	-	Not depreciated
Freehold buildings	-	2% Straight Line
Plant & machinery	-	20% Straight Line
Fixtures, fittings & equipment	-	25% Straight Line
Motor vehicles	-	20% Straight Line
Computer equipment	-	33% Straight Line
Assets under construction	-	Not depreciated

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

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

THE CHELMSFORD LEARNING PARTNERSHIP
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.7 Operating leases

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

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.11 Financial instruments

The Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the 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 13. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.12 Taxation

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

THE CHELMSFORD LEARNING PARTNERSHIP
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.13 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the 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 22, 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 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 incorporating Income and Expenditure Account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.14 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the School for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from schools to academy trusts have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations - transfer from Local Authority on conversion in the Statement of Financial Activities incorporating Income and Expenditure Account and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 19.

1.15 Transfer of existing Academy into the Trust

Where assets and liabilities are received on the transfer of an existing Academy, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the Trust. An equal amount of income is recognised for the transfer of an existing academy into the Trust within donations and capital grant income to the net assets acquired.

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FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.16 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the 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.

1.17 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000	As Restated Total funds 2017 £000
Transferred on conversion	1,166	(2,900)	36,073	34,339	-
Transferred on existing Academies joining the Trust	387	(804)	4,738	4,321	-
Donations	-	91	-	91	53
Capital grants	-	-	1,112	1,112	225
	<u>1,553</u>	<u>(3,613)</u>	<u>41,923</u>	<u>39,863</u>	<u>278</u>
Subtotal					
	<u>1,553</u>	<u>(3,613)</u>	<u>41,923</u>	<u>39,863</u>	<u>278</u>
Total 2017	<u>-</u>	<u>53</u>	<u>225</u>	<u>278</u>	

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	8,983	8,983	6,842
Other DfE / EFA grants	-	269	269	194
	<u>-</u>	<u>9,252</u>	<u>9,252</u>	<u>7,036</u>
Other government grants				
Local Authority grants	-	730	730	85
	<u>-</u>	<u>730</u>	<u>730</u>	<u>85</u>
Other funding				
Catering income	310	-	310	262
	<u>310</u>	<u>-</u>	<u>310</u>	<u>262</u>
	<u>310</u>	<u>9,982</u>	<u>10,292</u>	<u>7,383</u>
Total 2017	<u>262</u>	<u>7,121</u>	<u>7,383</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
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4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Total funds 2018 £000	Total funds 2017 £000
Hire of facilities	126	-	126	97
Other income	829	-	829	460
	<u>955</u>	<u>-</u>	<u>955</u>	<u>557</u>
Total 2017	<u>557</u>	<u>-</u>	<u>557</u>	

5. EXPENDITURE

	Staff costs 2018 £000	Premises 2018 £000	Other costs 2018 £000	Total 2018 £000	Total 2017 £000
Direct costs	6,907	-	845	7,752	5,913
Support costs	1,379	1,321	1,072	3,772	2,432
	<u>8,286</u>	<u>1,321</u>	<u>1,917</u>	<u>11,524</u>	<u>8,345</u>
Total 2017	<u>6,121</u>	<u>712</u>	<u>1,512</u>	<u>8,345</u>	

In 2017, of total expenditure, £70k was to unrestricted funds, £7,815k was to restricted funds and £266k was to restricted fixed asset funds.

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

6. CHARITABLE ACTIVITIES

	2018 £000	As restated 2017 £000
Direct costs	7,752	5,913
Support costs	3,772	2,432
Total	11,524	8,345

Analysis of support costs

	2018 £000	2017 £000
Staff costs	1,379	944
Depreciation	387	257
Technology costs	157	100
Premises costs (excluding depreciation)	934	456
Other costs	816	629
Governance costs	99	46
Total	3,772	2,432

7. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018 £000	2017 £000
Depreciation of tangible fixed assets: - owned or leased by the Trust	387	257
Auditors' remuneration - audit	13	9
Auditors' remuneration - other services	6	5
Operating lease rentals	97	91

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

8. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018 £000	2017 £000
Wages and salaries	6,178	4,623
Social security costs	587	453
Operating costs of defined benefit pension schemes	1,257	894
	<u>8,022</u>	<u>5,970</u>
Agency staff costs	242	151
Supply staff costs	22	-
	<u>8,286</u>	<u>6,121</u>

b. Staff numbers

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

	2018 No.	2017 No.
Teachers	225	103
Administration and support	279	60
Management	28	10
	<u>532</u>	<u>173</u>

c. Higher paid staff

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

	2018 No.	2017 No.
In the band £60,001 - £70,000	2	3
In the band £70,001 - £80,000	1	0
In the band £80,001 - £90,000	1	0
In the band £90,001 - £100,000	1	0
In the band £110,001 - £120,000	1	1

d. Key management personnel

The key management personnel of the Trust comprise the Trustees and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions, excluding employer NIC) received by key management personnel for their services to the Trust was £215,053 (2017: £715,132).

The decrease in remuneration of key management personnel from 2017 is a reflection of the changing nature of the Trust from one school, to a Multi Academy Trust with a central management team who have devolved responsibility for the management of individual Academies to local senior leaders.

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

9. CENTRAL SERVICES

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

- Finance
- Human Resources

The Trust charges for these services on the following basis:

The primary Schools contribute 1.25% of their GAG funding for the year and the secondary Schools contribute 2.5% of their GAG funding. Boswells contribution to the Trust is offset against the Trust's contribution for increased Leadership Capacity Funding.

The actual amounts charged during the year were as follows:

	2018 £000	2017 £000
Roding Valley	24	-
Barnes Farm Infant	2	-
Barnes Farm Junior	3	-
Perryfields	2	-
Tyrrells	4	-
	<u>35</u>	<u>-</u>
Total	<u><u>35</u></u>	<u><u>-</u></u>

10. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Trust. The CEO and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of CEO and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

		2018 £000	2017 £000
P A Banks (CEO)	Remuneration	110-115	105-110
	Pension contributions paid	15-20	15-20
M G Maul (Staff Trustee)	Remuneration	5-10	10-15
	Pension contributions paid	0-5	0-5

During the year, travel and similar payments totalling £NIL (2017: £702) were reimbursed or paid directly to 1 Trustees.

Other related party transactions involving the Trustees are set out within the related parties note.

11. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees, Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2018 was not separately identifiable and is included in the total insurance cost.

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

12. TANGIBLE FIXED ASSETS

	Freehold property £000	Leasehold property £000	Furniture and fixtures £000	Plant and equipment £000	Motor vehicles £000
Cost					
At 1 September 2017	7,649	-	119	18	20
Additions	-	-	-	-	-
Received on conversion or transfer	-	39,192	286	-	-
At 31 August 2018	7,649	39,192	405	18	20
Depreciation					
At 1 September 2017	1,175	-	94	13	16
Charge for the year	151	168	31	2	4
At 31 August 2018	1,326	168	125	15	20
Net book value					
At 31 August 2018	6,323	39,024	280	3	-
At 31 August 2017	6,474	-	25	5	4
			Computer equipment £000	Assets under construction £000	Total £000
Cost					
At 1 September 2017			136	-	7,942
Additions			-	1,044	1,044
Received on conversion or transfer			313	1,012	40,803
At 31 August 2018			449	2,056	49,789
Depreciation					
At 1 September 2017			127	-	1,425
Charge for the year			31	-	387
At 31 August 2018			158	-	1,812
Net book value					
At 31 August 2018			291	2,056	47,977
At 31 August 2017			9	-	6,517

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

13. DEBTORS

	2018 £000	2017 £000
Trade debtors	21	9
Funds due from Local Authority from conversion	1,166	-
VAT recoverable	230	14
Other debtors	23	74
Prepayments and accrued income	425	64
	<u>1,865</u>	<u>161</u>

14. CREDITORS: Amounts falling due within one year

	2018 £000	2017 £000
Trade creditors	67	-
Other taxation and social security	256	115
Other creditors	257	101
Accruals and deferred income	685	233
	<u>1,265</u>	<u>449</u>

	2018 £000	2017 £000
Deferred income		
Deferred income at 1 September 2017	157	183
Resources deferred during the year	143	157
Amounts released from previous years	(157)	(183)
Deferred income at 31 August 2018	<u>143</u>	<u>157</u>

The majority of resources deferred at the period end relate to contributions towards free school meals and lettings.

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

15. STATEMENT OF FUNDS

	Balance at 1 September 2017 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2018 £000
Unrestricted funds						
Unrestricted funds	-	2,819	(900)	-	-	1,919
Restricted funds						
General Annual Grant (GAG)	(167)	8,983	(8,816)	-	-	-
Other DfE/ ESFA grants	10	44	(54)	-	-	-
Pupil Premium	-	225	(225)	-	-	-
Other Government grants	4	730	(336)	-	-	398
Other restricted funds	51	157	(191)	-	-	17
Pension reserve	(4,210)	(3,770)	(342)	-	738	(7,584)
	<u>(4,312)</u>	<u>6,369</u>	<u>(9,964)</u>	<u>-</u>	<u>738</u>	<u>(7,169)</u>
Restricted fixed asset funds						
Restricted fixed asset fund	6,517	40,803	(387)	1,044	-	47,977
Devolved Formula Capital	-	54	(30)	-	-	24
Condition Improvement Funding	221	22	(243)	-	-	-
LA capital funding	-	1,044	-	(1,044)	-	-
	<u>6,738</u>	<u>41,923</u>	<u>(660)</u>	<u>-</u>	<u>-</u>	<u>48,001</u>
Total restricted funds	<u>2,426</u>	<u>48,292</u>	<u>(10,624)</u>	<u>-</u>	<u>738</u>	<u>40,832</u>
Total of funds	<u>2,426</u>	<u>51,111</u>	<u>(11,524)</u>	<u>-</u>	<u>738</u>	<u>42,751</u>

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

15. STATEMENT OF FUNDS (continued)

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

General Annual Grant (GAG)

This represents funding from the ESFA to cover the costs of recurrent expenditure.

Other DfE and ESFA funding

This represents funding received from the DfE/ESFA which is restricted in nature.

Other Government grants

This represents funding received from other Government bodies, local and national, which are restricted in nature. Funding received in relation to Beaulieu Park School has also been included in this balance.

Pupil Premium

This represents funding to be used to help raise achievement and improve outcomes for pupils from low income families who are eligible for free school meals.

Other restricted funds

This represents donations towards trips and other specific educational activities.

Restricted trip donations

This represents contributions made by parents towards the running costs of trips for the pupils of the Schools and the associated costs.

Pension reserve

This reserve represents the Trust's share of the deficit on the Local Governemn Pension Scheme (LGPS).

Restricted fixed asset fund

Restricted fixed asset fund represents the value of fixed assets held in line with the charitable objectives of the Trust.

Devolved Formula Capital (DFC)

This represents funding received from the ESFA specifically for the maintenance and improvement of the Trust's building and facilities.

LA capital funding

This represnts capital funding received from the Local Authority for specific purposes.

Condition Improvement Fund (CIF)

This represents a Government grant received for a specific capital or repair project.

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

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

15. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £000	Total 2017 £000
Boswells	333	(102)
Roding Valley	772	-
Tyrrells	406	-
Perryfields	295	-
Barnes Farm Infant	94	-
Barnes Farm Junior	36	-
Beaulieu Park	398	-
Total before fixed asset fund and pension reserve	2,334	(102)
Restricted fixed asset fund	48,001	6,738
Pension reserve	(7,584)	(4,210)
Total	42,751	2,426

ANALYSIS OF COST BY ACADEMIES

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2018 £000	Total 2017 £000
Boswells	5,079	973	742	1,655	8,449	8,089
Roding Valley	1,138	268	84	265	1,755	-
Tyrrells	241	38	15	23	317	-
Perryfields	93	30	1	11	135	-
Barnes Farm Infant	126	24	3	47	200	-
Barnes Farm Junior	163	46	-	5	214	-
Central Services	-	35	-	191	226	-
	6,840	1,414	845	2,197	11,296	8,089

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**NOTES TO THE FINANCIAL STATEMENTS
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15. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2016 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2017 £000
General funds						
Unrestricted funds	-	97	(70)	(27)	-	-
Restricted funds						
General Annual Grant (GAG)	(283)	6,828	(6,739)	27	-	(167)
Other DfE/ ESFA grants	10	14	(14)	-	-	10
Other Government grants	4	85	(85)	-	-	4
Other restricted funds	51	775	(775)	-	-	51
Pupil Premium	-	194	(194)	-	-	-
Pension reserve	(4,429)	-	(202)	-	421	(4,210)
	<u>(4,647)</u>	<u>7,896</u>	<u>(8,009)</u>	<u>27</u>	<u>421</u>	<u>(4,312)</u>
Restricted fixed asset funds						
Restricted fixed asset fund	6,517	-	(206)	-	-	6,311
Capital Funding	262	225	(60)	-	-	427
	<u>6,779</u>	<u>225</u>	<u>(266)</u>	<u>-</u>	<u>-</u>	<u>6,738</u>
Total restricted funds	<u>2,132</u>	<u>8,121</u>	<u>(8,275)</u>	<u>27</u>	<u>421</u>	<u>2,426</u>
Total of funds	<u><u>2,132</u></u>	<u><u>8,218</u></u>	<u><u>(8,345)</u></u>	<u><u>-</u></u>	<u><u>421</u></u>	<u><u>2,426</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £000	Restricted funds 2018 £000	Restricted fixed asset funds 2018 £000	Total funds 2018 £000
Tangible fixed assets	-	-	47,978	47,978
Current assets	1,919	1,680	23	3,622
Creditors due within one year	-	(1,265)	-	(1,265)
Defined benefit pension liability	-	(7,584)	-	(7,584)
	<u>1,919</u>	<u>(7,169)</u>	<u>48,001</u>	<u>42,751</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2017 £000	Restricted funds 2017 £000	Restricted fixed asset funds 2017 £000	Total funds 2017 £000
Tangible fixed assets	-	-	6,517	6,517
Current assets	-	347	221	568
Creditors due within one year	-	(449)	-	(449)
Defined benefit pension liability	-	(4,210)	-	(4,210)
	<u>-</u>	<u>(4,312)</u>	<u>6,738</u>	<u>2,426</u>

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

	2018 £000	2017 £000
Net income/(expenditure) for the year (as per Statement of Financial Activities)	39,587	(127)
Adjustment for:		
Depreciation charges	386	257
Increase in debtors	(1,703)	(49)
Increase/(decrease) in creditors	816	(102)
Capital grants from DfE and other capital income	(1,112)	(225)
Defined benefit pension net finance cost	128	91
Defined benefit pension scheme cost less contributions payable	214	111
Net (loss) on assets and liabilities from local authority on conversion	(33,165)	-
Net gain on assets and liabilities from local authority on transfer	(3,868)	-
Net cash provided by/(used in) operating activities	<u>1,283</u>	<u>(44)</u>

THE CHELMSFORD LEARNING PARTNERSHIP
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £000	2017 £000
Cash in hand	1,758	407
Total	<u>1,758</u>	<u>407</u>

19. CONVERSION TO AN ACADEMY TRUST

Roding Valley High School

On 1 June 2018 Roding Valley High School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Chelmsford Learning Partnership from Essex County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. 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 a net gain in the Statement of Financial Activities incorporating Income and Expenditure Account as Donations - transfer on conversion

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 incorporating Income and Expenditure Account.

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds £000
Tangible fixed assets				
- Freehold/leasehold land and buildings	-	-	22,187	22,187
- Other tangible fixed assets	-	-	1,297	1,297
Budget surplus/(deficit) on LA funds	728	-	-	728
LGPS pension surplus/(deficit)	-	(1,886)	-	(1,886)
Net assets/(liabilities)	<u>728</u>	<u>(1,886)</u>	<u>23,484</u>	<u>22,326</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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Perryfields Infant School

On 1 July 2018 Perryfields Infant School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Chelmsford Learning Partnership from Essex County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. 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 a net gain in the Statement of Financial Activities incorporating Income and Expenditure Account as Donations - transfer on conversion.

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 incorporating Income and Expenditure Account.

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds £000
Freehold/leasehold land and buildings	-	-	5,017	5,017
Other tangible fixed assets	-	-	5	5
LGPS pension surplus/(deficit)	-	(319)	-	(319)
Budget surplus/(deficit) on LA funds	302	-	-	302
Total	302	(319)	5,022	5,005

Barnes Farm Junior School

On 1 July 2018 Barnes Farm Junior School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Chelmsford Learning Partnership from Essex County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. 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 a net gain in the Statement of Financial Activities incorporating Income and Expenditure Account as Donations - transfer on conversion.

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 incorporating Income and Expenditure Account.

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds £000
Freehold/leasehold land and buildings	-	-	3,356	3,356
Other tangible fixed assets	-	-	167	167
LGPS pension surplus/(deficit)	-	(362)	-	(362)
Budget surplus/(deficit) on LA funds	37	-	-	37
Total	37	(362)	3,523	3,198

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Barnes Farm Infant School

On 1 July 2018 Barnes Farm Infant School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Chelmsford Learning Partnership from Essex County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. 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 a net gain in the Statement of Financial Activities incorporating Income and Expenditure Account as Donations - transfer on conversion

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 incorporating Income and Expenditure Account.

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds £000
Freehold/leasehold land and buildings	-	-	3,939	3,939
Other tangible fixed assets	-	-	96	96
LGPS pension surplus/(deficit)	-	(333)	-	(333)
Budget surplus/(deficit) on LA funds	98	-	-	98
Total	98	(333)	4,035	3,800

20. TRANSFER OF EXISTING ACADEMIES INTO THE ACADEMY

The Tyrrells School

	Value reporting by transferring trust £000	Fair value adjustments £000	Transfer in recognised £000
Tangible fixed assets			
Freehold property	4,692	-	4,692
Fixtures and fittings	40	-	40
Computer equipment	4	-	4
Debtors due within one year	87	-	87
Cash in bank and in hand	474	-	474
Liabilities			
Creditors due within one year	(106)	-	(106)
Pensions			
Pensions - pension scheme assets	838	-	838
Pensions - pension scheme liabilities	(1,708)	-	(1,708)
Net assets	4,321	-	4,321

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21. CAPITAL COMMITMENTS

At 31 August 2018 the Trust had capital commitments as follows:

	2018 £000	2017 £000
Contracted for but not provided in these financial statements	-	195

22. PENSION COMMITMENTS

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

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

Contributions amounting to £257k were payable to the schemes at 31 August 2018 (2017 - 101k) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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22. PENSION COMMITMENTS (continued)

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

The employer's pension costs paid to TPS in the period amounted to £752K (2017 - £580K).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £372K (2017 - £255K), of which employer's contributions totalled £293K (2017 - £201K) and employees' contributions totalled £79K (2017 - £54K). The agreed contribution rates for future years are 5.5% for employers and 8.5% for employees.

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

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.70 %	2.60 %
Rate of increase in salaries	3.80 %	4.20 %
Rate of increase for pensions in payment / inflation	2.30 %	2.70 %
Inflation assumption (RPI)	3.30 %	3.60 %
Inflation assumption (CPI)	2.30 %	2.70 %

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

	2018	2017
Retiring today		
Males	22.3	22.2
Females	24.8	24.7
Retiring in 20 years		
Males	24.5	24.3
Females	27.1	27

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22. PENSION COMMITMENTS (continued)

As at the 31 August 2018 the Trust had a pension liability of £7,584k (2017 - £4,210k). The sensitivity analysis detailed below would increase/ (decrease) the closing defined benefit obligation in the following way;

Sensitivity Movement	At 31 August 2018 £000	At 31 August 2017 £000
Discount rate +0.1%	(320)	(141)
Discount rate -0.1%	329	144
Mortality assumption - 1 year increase	464	241
Mortality assumption - 1 year decrease	(449)	(233)
CPI rate +0.1%	280	119
CPI rate -0.1%	(272)	(117)

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

	Fair value at 31 August 2018 £000	Fair value at 31 August 2017 £000
Equities	4,021	1,764
Gilts	337	168
Other bonds	369	105
Property	564	262
Cash and other liquid assets	216	83
Other assets	567	321
Other managed funds	244	-
Total market value of assets	6,318	2,703

The actual return on scheme assets was £150k (2017 - £197k).

The amounts recognised in the Statement of Financial Activities incorporating Income and Expenditure Account are as follows:

	2018 £000	2017 £000
Current service cost	(506)	(311)
Interest income	90	51
Interest cost	(218)	(142)
Admin expenses	(1)	-
Total	(635)	(402)

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22. PENSION COMMITMENTS (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2018 £000	2017 £000
Opening defined benefit obligation	6,913	6,819
Upon conversion	6,959	-
Current service cost	506	311
Interest cost	218	142
Employee contributions	79	54
Actuarial gains	(678)	(274)
Benefits paid	(95)	(139)
	<u>13,902</u>	<u>6,913</u>
Closing defined benefit obligation	<u>13,902</u>	<u>6,913</u>

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

	2018 £000	2017 £000
Opening fair value of scheme assets	2,703	2,390
Upon conversion	3,189	-
Interest income	90	50
Actuarial gains	60	147
Employer contributions	293	201
Employee contributions	79	54
Benefits paid	(95)	(139)
Admin expenses	(1)	-
	<u>6,318</u>	<u>2,703</u>
Closing fair value of scheme assets	<u>6,318</u>	<u>2,703</u>

23. OPERATING LEASE COMMITMENTS

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

	2018 £000	2017 £000
Amounts payable:		
Within 1 year	61	69
Between 2 and 5 years	71	39
After more than 5 years	15	-
	<u>147</u>	<u>108</u>
Total	<u>147</u>	<u>108</u>

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24. MEMBERS' LIABILITY

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

25. RELATED PARTY TRANSACTIONS

Owing to the nature of the Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a Trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account..

The Trust received income totalling £Nil (2017: £500) from The Friends of Boswell School and made payments totalling £Nil (2017: £437). This is a related party by virtue of the fact that P Banks (CEO) and K Cheema (Deputy Head Teacher) are trustees at The Friends of Boswell School. There were no balances outstanding at the year end.

The Trust received income totalling £Nil (2017: £210) from Bridge Academy Trust during the year. This is a related party by virtue of the fact that the spouse of N Kershaw is a Trustee of Bridge Academy Trust. There were no balances outstanding at the year end.

In entering into these transactions, the Trust has complied with the requirements of the Academies Financial Handbook 2017.

26. AGENCY ARRANGEMENTS

The Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2018 the trust received £14k (2017 - £15k) and disbursed £32k (2017 - £3k) from the fund. An amount of £21k (2017 - £39k) is included in other creditors relating to undistributed funds that is repayable to ESFA.