



# LIFE Education Trust

(A Company Limited by Guarantee)

Annual Report and Financial Statements  
For the year ended 31 August 2023

Company Registration Number: 08102628 (England and Wales)

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# LIFE Education Trust

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## LIFE Education Trust

### Reference and Administrative Details

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#### **Members**

Mr D Mansfield  
Mr I Wigston  
Representative from Chelmsford Diocese Educational Trust (CDET)  
Ms M Murphy

#### **Trustees**

Mrs L Douglas (Chair)  
Mr J R Dutnall, CEO  
Mrs S Malik  
Mrs M Cherry  
Mr A Morgan  
Mr R Bristow  
Mr D Jefferys  
Mr P Tinsley (resigned 31.12.22)  
Mr P Dhadwar (from 01.09.23, previously associate member Finance and Facilities committee)

#### **Trust Executive Team:**

CEO	Mr J R Dutnall
Director of Operations	Mrs D Broom
Director of Finance	Mr M Wilkinson (appointed 1 May 2023)
Chief People Officer	Mr P Whitelock
Director of Standards	Mr I Gurman (resigned 31 March 2023)
Executive Assistant/ Governance Professional	Mrs K Hardy

Principal and Registered Office	The Frances Bardsley Academy for Girls Brentwood Road Romford Essex RMI 2RR
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Company Registration Number	08102628 (England and Wales)
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Independent Auditor	Moore Kingston Smith LLP 9 Appold Street London, EC2A 2AP
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Bankers	Lloyds Bank Plc 21-25 Station Lane Hornchurch Essex RM12 6JL
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Solicitors	DWF LLP Scott Place 2 Hardman Street Manchester M3 3AA
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## LIFE Education Trust

### Trustees' Report for the year ended 31 August 2023

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This is the annual report together with the financial statements and auditor's report of LIFE Education Trust, a charitable company, for the year ended 31 August 2023. This annual report serves the purposes of both a trustees' report, and a directors' report under company law.

During the year from 1 September 2022 to 31 August 2023 LIFE Education Trust operated Benhurst Primary School, Dame Tipping Voluntary Controlled Church of England Primary School, Margaretting Voluntary Controlled Church of England Primary School, Roxwell Voluntary Controlled Church of England Primary School, Ford End Voluntary Controlled Primary School and The Frances Bardsley Academy for Girls as well as The Bridge Independent School for students with medical needs and mental health issues. The Trust's academies have a combined pupil capacity of 2,304 pupils and had a roll of 2,181 (2022: 2,201) in the school census for October 2022.

#### **Structure, Governance and Management**

##### **Constitution**

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of LIFE Education Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as LIFE Education Trust. It also operated as Benhurst Primary School, Dame Tipping VC Primary School, Margaretting VC Primary School, Roxwell VC Primary School, Ford End VC Primary School, The Frances Bardsley Academy for Girls, and The Bridge Independent School during the 2022/23 academic year.

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

##### **Members' Liability**

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

##### **Trustees' Indemnities**

Subject to the provisions of the Companies Act, a director or other officer of the trust shall be indemnified out of the assets of the trust against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the academy.

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

The management of the Trust is the responsibility of the Directors who are elected and co-opted under the terms of the Articles of Association and funding agreement as follows:

- Up to 9 directors appointed by the Members including the CEO.
- Up to 3 Directors appointed by the Chelmsford Diocesan Education Trust provided that the total

## LIFE Education Trust

### Trustees' Report for the year ended 31 August 2023

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number of Directors appointed under this Article would not thereby exceed 25% of the total number of Directors.

- Up to two co-opted directors appointed by members.

The term of office for any director is 4 years. The CEO's term of office runs parallel with his term of appointment. Subject to remaining eligible to be a particular type of director, any director may be reappointed for a further term in accordance with the articles.

New trustees are appointed in accordance with the articles. Appointment follows a vacancy arising and is then based on a skills audit, receipt of biography or curriculum vitae and interview with an existing Board member to fill the existing skills gap.

#### **Policies and Procedures Adopted for the Induction and Training of Trustees**

All directors receive detailed induction which includes a meeting with the Chair, CEO and Clerk to the Board and detailed induction materials from the National Governance Association and Academy Ambassadors.

Directors meet regularly for formal meetings and in addition have weekly updates from the Trust Executive and access to training materials through the Trust membership of the Confederation of School Trusts (CST) and the National Governance Association (NGA). Directors have an annual training and strategy day and complete a self-evaluation.

The Trust has a peer agreement for external support and challenge with SECAT and has an external review of governance every three years. The last review was in April 2022 and was conducted by NGA.

#### **Organisational Structure**

See appendix 1 for the organisational structure of the LIFE Education Trust. The governance structure was last approved by the Department for Education in April 2019 prior to the Trust being granted Sponsor status and was reviewed during the external review of governance (ERG) conducted by the NGA in Spring 2022.

The CEO is the accounting officer of the Trust. The scheme of delegation that can be found on the Trust website sets out how decisions are made and the powers that are delegated to committees and individuals.

#### **Arrangements for setting pay and remuneration of key management personnel**

The Pay Policy for the Trust for 2022/23 highlights the arrangements by which the pay and remuneration of the academy's key management personnel is set and the way in which benchmarking and criteria is used. The Appraisal Policy outlines the systems and documentation used. These policies cover all Trust staff including head teachers and central Trust staff. An external advisor was used to support the process for all senior educational staff in 2022/23. A detailed report on Executive Pay recommendations based on a review of targets is received by the Trust Pay and Personnel Committee who have delegated authority to determine pay. A standard pro-forma for the setting of objectives is used throughout the Trust and the Blue-Sky Content Management System enables easy completion, retention and access to key appraisal information. The pay and appraisal policies are available on request.

## LIFE Education Trust

### Trustees' Report for the year ended 31 August 2023

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#### **Trade union facility time**

The Trust does not employ any trade union officials.

#### **Related Parties and other Connected Charities and Organisations**

The Trust, through Frances Bardsley Academy, is a member of the Havering Learning Partnership. This is a soft federation of 18 secondary schools and 2 colleges in the London Borough of Havering. The annual membership fee is £3,000 although no fee was collected for the 2022/23 academic year. There is no obligation on the Trust relating to membership but access is provided to a range of resources, meetings and activities for free or at a reduced rate.

Frances Bardsley Academy is also a member of the International Coalition of Girls Schools. The annual membership fee is \$500 or £439.24 but confers no obligations on the Trust.

The Trust, through both Benhurst Primary School and Dame Tipping VC Primary School, is a member of two Havering Local Authority cluster groups. These are soft federations to which membership is free and they entail no obligation on the part of the Trust.

As mentioned above, the Trust is a member of CST which is the national organisation and 'sector body' for school trusts in England advocating for, connecting and supporting executive and governance leaders. As a member of CST, we receive support for the whole executive team, the trustees and the trust board as a corporate entity. Bringing together school trusts in England from every region and of every size, CST has a strong strategic presence with access to government and policymakers to drive real change for education on the big issues that matter most. Their purpose is to help create an excellent education system in England and to hold trust on behalf of children.

#### **Engagement with employees (including disabled persons)**

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management.

The academy trust carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The academy trust has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

Full details of these policies are available from the Trust's offices.

The Board understand the importance and benefit of having a broad range of skills, experiences, perspectives and backgrounds in our teams and continuously strives to attract, engage and retain a diverse range of talented people. Understanding the importance of the Trust's employees to the long-term success of the organisation, the Board regularly communicates to its employees through presentations, internal group wide emails and newsletters. The Trust's structure gives our employees the opportunity to interact with members of the Board and other key management personnel. Employees are encouraged to ask questions about the Trust's purpose, goals and direction. Employee surveys are undertaken to receive

## LIFE Education Trust

### Trustees' Report for the year ended 31 August 2023

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feedback about the employee experience at the Trust, the results of which are carefully analysed and discussed by the Board.

Employees are offered a range of development opportunities including formal programmes such as the National Professional Qualifications (NPQs), mentoring, coaching, supervision and e-learning that enable the Board to identify and develop the skills and knowledge it needs to succeed now and in the future.

#### **Engagement with suppliers, customers and others in a business relationship with the academy trust**

The Trust regularly reviews how it maintains positive relationships with all its stakeholders. It understands the importance of its suppliers in delivering the long-term plans and endeavours to ensure prompt payment.

The Trust's risk register sets out risks that can impact the long-term success of the Trust and how these risks interact with our stakeholders. The Trustees actively seek information on the interaction with stakeholders to ensure that they have enough information to reach appropriate conclusions about the risks faced by the Group and how these are reflected within the long-term plans.

#### **Objects and Aims**

The principal object and activity of the Trust for 2022/23 is the operation of LIFE Education Trust to provide a broad and balanced education for pupils of all abilities in the Havering and Essex areas. The directors have referred to the guidance issued by the Charity Commission in respect of public benefit when reviewing the aims and objectives of the academy. In accordance with the articles of association approved by the Secretary of State for Education, the academy has adopted a scheme of delegation which has been accepted by the Department for Education.

## LIFE Education Trust

### Trustees' Report for the year ended 31 August 2023

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#### **Objectives, Strategies and Activities**

We see our growth and development as having distinct phases or chapters and have shaped these into three-year periods. Between 2016 -2019, the Trust was established and starting out. Between 2019-2022, we experienced and navigated the pandemic and grew the organisation.

2022-25 is our third phase which we call, "Becoming Strong". Our strategic vision is that by 2025, LIFE will be recognised nationally and internationally as an outstanding educational community with learning at the heart of everything we do. We are using the DfE's Trust Quality Descriptors to ensure we meet our goal in this phase.

The Trust clear purpose in this phase is to build great learning communities where children flourish. We recruit, train and share great people who are themselves effective learners. Everyone in our organisation is focused on great pupil outcomes. We build sustainable systems that will facilitate this great learning. Our 3-year strategic plan has Great people, Great Pupil Outcomes and Sustainable Systems as its structure. The actions under these headings for 2022/23 were as follows:

<b>Great People Actions YEAR 1</b>
<ul style="list-style-type: none"><li>• Complete review of recruitment in terms of process, documentation used, promotion of LIFE</li><li>• Review selection procedures considering LIFE ethos and fairer recruitment non-bias</li><li>• Develop systematic process using Habitude, external consultants</li></ul>
<ul style="list-style-type: none"><li>• Design and establish development pathway</li><li>• Extend coaching to next layer of Trust leaders</li><li>• Expose leaders to operations at next layer of leadership</li></ul>
<ul style="list-style-type: none"><li>• Act upon all recommendations from external review</li><li>• Introduce October governance conference and review governance training programme and materials</li><li>• Ensure all those in governance understand and embody LIFE ethos</li></ul>
<ul style="list-style-type: none"><li>• Introduce digitised LIFE learning section of portal</li><li>• Roll out Learning Year 2 across all schools</li><li>• Introduce Learning ambition for all staff</li></ul>
<ul style="list-style-type: none"><li>• Develop reporting to P&amp;P Committee</li><li>• Increase LIFE staff networking events</li></ul>
<ul style="list-style-type: none"><li>• Roll out DfE Wellbeing Charter actions</li><li>• New Wellbeing Forum meets each term</li><li>• Review external support for wellbeing</li></ul>
<ul style="list-style-type: none"><li>• Reduce gender pay gap</li><li>• Reduce ethnicity and gender gaps between leaders/staff and those we serve</li></ul>
<b>Great Pupil Outcomes Actions YEAR 1</b>
<ul style="list-style-type: none"><li>• Complete and embed the work of the Curriculum Framework and working group</li><li>• Develop an evidence-based approach to curriculum development</li><li>• Quality assure the curriculum in each school, ensuring it is broad, balanced, efficient and effective</li><li>• Improve the use of school sites for outdoor play and learning (e.g. forest school)</li></ul>
<ul style="list-style-type: none"><li>• Complete and embed the work of the Teaching and Learning Framework and working group</li></ul>



## LIFE Education Trust

### Trustees' Report for the year ended 31 August 2023

<ul style="list-style-type: none"> <li>• Agree a robust method of monitoring, which quality assures and challenges the quality of teaching and learning in every school</li> <li>• Develop an agreed "model lesson" at school (but not Trust) level</li> </ul>
<ul style="list-style-type: none"> <li>• Carry out an inventory of the current offer in schools</li> <li>• Facilitate collaboration between trust schools to increase the offer (e.g. Trust-wide "drop-down" days)</li> <li>• Explore ways of better utilising Pupil Voice in determining a more attractive offer</li> <li>• Improve the monitoring of participation rates of individuals and groups, over and above simple data for the offer and total numbers</li> </ul>
<ul style="list-style-type: none"> <li>• Seek more informed pupil and parental feedback</li> <li>• Explore ways of better celebrating the work of staff, at school and trust level</li> <li>• Increase the recognition of good work and celebrate at trust level (e.g. value of a handshake from the CEO)</li> <li>• Agree trust-wide vocabulary (e.g. "awarded" not "won")</li> <li>• Begin work on a Trust "Celebration Framework"</li> </ul>
<ul style="list-style-type: none"> <li>• Complete and embed the work of the Assessment Framework and working group</li> <li>• Increase centralised target setting, based on prior attainment data</li> <li>• Improve the review, interpretation and presentation of results, along with subsequent actions</li> <li>• Improve the targeting of interventions for individual pupils</li> </ul>
<ul style="list-style-type: none"> <li>• Strengthen the existing LIFE Passport system</li> <li>• Explore the roll out of PiXL Edge</li> <li>• Develop the role of "Courageous Advocacy" in church schools and expand across all trust schools</li> <li>• Greater emphasis on the role of the trust in the promotion of charity events</li> </ul>
<ul style="list-style-type: none"> <li>• Introduce some form of life coaching (e.g. Project me) for pupils in all schools</li> <li>• Explore more effective ways of utilising the Tutoring Programme funding</li> <li>• Improve the targeting of interventions for individual pupils</li> </ul>
<b>Sustainable Systems Actions YEAR 1</b>
<ul style="list-style-type: none"> <li>• Create and monitor actions for Recovery Plans DT / MAR / ROX</li> <li>• Review reserves policy in line with current guidance</li> <li>• Develop three-year sensitivity planning</li> </ul>
<ul style="list-style-type: none"> <li>• Create timelines and templates for all functions</li> <li>• Explore good estate management strategies and sustainable practices</li> </ul>
<ul style="list-style-type: none"> <li>• Share growth matrix and report at all board and key executive meetings</li> <li>• Further develop relationship with DFE</li> <li>• Increase personnel capacity through training, recruitment and succession plans</li> </ul>
<ul style="list-style-type: none"> <li>• Effective use of technology and integration of functions</li> <li>• Increased meetings focused on specific roles and areas across Trust schools and functions</li> </ul>
<ul style="list-style-type: none"> <li>• Introduce termly newsletter</li> <li>• Create meeting &amp; communication protocols</li> <li>• Develop social media presence</li> </ul>
<ul style="list-style-type: none"> <li>• All functional leaders and all heads in regional groups</li> <li>• Ensure all functional leaders receive industry standard information</li> <li>• Podcasts</li> </ul>

## LIFE Education Trust

### Trustees' Report for the year ended 31 August 2023

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- Increase involvement of individuals and Trust in DFE, national and international initiatives
- Develop Girls' Schools networking
- Develop ICT (SMART) initiatives

The Executive team reported back to the Trustees on progress towards these actions in July 2023. Only 6 actions were not met and detailed reasons were given for each one, including the reasons why 3 of them had been discontinued as actions during the year. Directors discussed the plan and asked questions for clarity and challenge and agreed that good progress had been made during the 2022/23 academic and financial year.

#### **Culture**

The Trust has focused on creating Our Great People Culture. The plan was presented to directors at the People Committee in September 2022 and approved. The goal of the Great People Culture is to create a virtuous cycle where LIFE;

- embraces difference and individuality,
- enables people to perform well,
- creates strong working relationships,
- enhances the quality of working life.

And in return each individual;

- can be themselves and flourish,
- performs well,
- has a feeling of belonging,
- enhances our great people culture.

The underlying message of this statement is that culture is shaped by connections, specifically;

- connecting LIFE and personal ethos,
- connecting LIFE and personal competence,
- connecting LIFE as an entity with individuals,
- connecting people in LIFE with each other.

In recognition of this, the first action we took was to update the Language of LIFE.

This was followed up with a document entitled Creating a Great People Culture – The Beginning. This document stated that the initial focus on creating a Great People Culture would be on;

- Language of LIFE,
- LIFE Behaviours,
- Knowledge & Skills,
- Employee Surveys.

## LIFE Education Trust

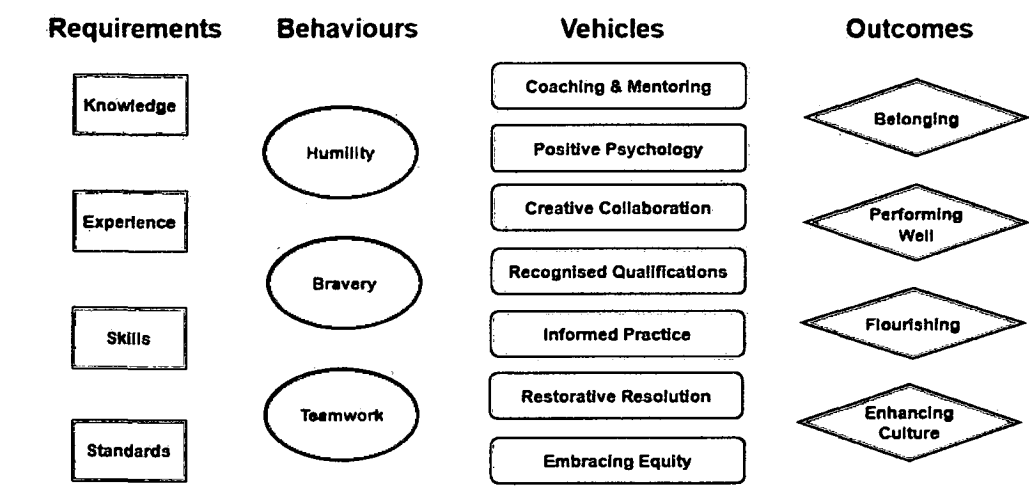
### Trustees' Report for the year ended 31 August 2023

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During the course of the year the foci above have been discussed and developed leading to our Great People Tapestry:

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## Great People Tapestry



### Public Benefit

The LIFE Education Trust trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit.

As a Trust we make the best use of our skills, expertise and experience with regards to the community. Some examples of this are:

- Raising money for local, national and international charities.
- Contribution to services and events in the local community particularly through drama and music.
- Opening the FBA School Farm which has been described by Ofsted as "an oasis" and "vibrant" is open to local primary schools.
- Provision of an art gallery which is open to the public.
- Collaboration with local schools.

### Strategic Report

Achievements and Performance *(including Key Performance Indicators)*

## LIFE Education Trust

### Trustees' Report for the year ended 31 August 2023

#### Examination Headline Results

Although pupils in the academic year 2022-23 were not directly impacted by the global Coronavirus pandemic, there were clearly ongoing repercussions from several years of disrupted learning. The summer of 2023 saw the return to externally set and marked examinations (GCSE and A Level) and standard assessment tests (SATs) with a return to 2019 level assessment. It was widely reported in advance and as results were issued, that they would be lower than the previous two academic years.

#### Primary Phase

The table below shows each primary school's provisional results in recent years, as percentages achieving the Expected and Higher Standards in reading, writing and maths combined.

Key Stage 2 RWM combined	2019		2021		2022		2023		Nat. Ave. 2022 ES HS Provisional	
	ES	HS	ES Unvalidated	HS	ES Provisional	HS	ES Provisional	HS		
<b>Benhurst</b>	79%	10%	76%	28%	78%	27%	75%	14%	59%	7%
<b>Dame Tipping</b>	62%	15%	50%	0%	30%	0%	58%	17%	59%	7%
<b>Ford End</b>	82%	9%	79%	36%	69%	30%	67%	20%	59%	7%
<b>Margaretting</b>	91%	27%	92%	25%	92%	17%	92%	25%	59%	7%
<b>Roxwell</b>	64%	29%	67%	25%	77%	33%	65%	12%	59%	7%

These results are not comparable from one year to the next, given the impact of the pandemic and the different way in which the outcomes were assessed in each year as well as the differing national averages; however, some basic conclusions can be identified:

- We do not have national figures for KS1 for several years, but it is clear that the impact of the pandemic was greatest on the younger age groups, who had little background in schools and education
- Despite the above, the Trust's KS1 outcomes mostly stand up to outcomes in previous years
- The Trust's KS2 combined outcomes continue to be above the national average which stands at 59% in 2023. Our combined average is 73%.

If we consider KS2 results in more detail, we can see that the majority of outcomes in 2023 were above national. These are indicated by green highlighting. Those below national averages are in yellow. Detailed development plans, reviewed by governors and the Trust Executive ensure that plans will lead to improvements.

#### Writing

Expected standard:

Greater depth:

#### Reading:

Expected standard:

Greater depth:

ROXWELL	DAME TIPPING	BENHURST	MARGARETTING	FORD END	NATIONAL
65%	75%	83%	92%	67%	73%
18%	25%	21%	25%	40%	N/A
94%	83%	77%	100%	73%	73%
29%	33%	31%	83%	40%	N/A

# LIFE Education Trust

## Trustees' Report for the year ended 31 August 2023

<b>Maths:</b>						
Expected standard:	82%	58%	87%	92%	73%	71%
Greater depth:	24%	25%	30%	42%	33%	N/A
<b>Combined:</b>						
Expected standard:	65%	58%	75%	92%	67%	59%
Greater depth:	12%	17%	14%	25%	20%	N/A

### Secondary Phase

#### Frances Bardsley Academy

GCSEs	2018	2019	2020	2021	2022	2023	2023 Nat Ave
Progress 8	+0.18	+0.29	n.a.	n.a.	n.a.	10.25	0
Attainment 8	50.4	55.0	53.7	56.3	53.4	52.4	46.2
% 5+ in E&M	49	61	60	63	57	54	45
EBac APS						46.7	40.5
% students 5+ standard passes inc E&M	70.4	76.5	81.4	85.5	71.4	79	65

All these recorded measures at GCSE are above both national and Local Authority averages. The school sits above average in the vast majority of results as seen at: <https://www.compare-school-performance.service.gov.uk/school/138326/the-frances-bardsley-academy-for-girls/secondary>

A Levels	2018	2019	2020	2021	2022	2023
%A*- B	49	50	65	61	54	38
%A*- E	100	100	100	100	99	98
No. of entries	/	73	76	120	11	11
					5	8

Results at KS5 are lower than previous years but again the impact of the pandemic has affected attainment and we await validated progress data although we are conscious that this will be based on grades given during the pandemic which were significantly higher than usual.

# LIFE Education Trust

## Trustees' Report for the year ended 31 August 2023

### The Bridge

Subject	Total no. of Students Entered	Students Achieving Grades 1-3		Students Achieving Grade 4		Students Achieving Grade 5+		Pass Rate
		No	%	No	%	No	%	%
English Language	12	6	50	2	17	4	33	100
English Literature	2					2	100	100
Maths	12	4	33	6	50	2	17	100
Biology	9	1	11	3	33	5	56	100
Art	7			2	29	5	71	100
Statistics	2					2	100	100
Physics	1					1	100	100

All 12 students in The Bridge's Year 11 cohort were entered for at least 3 GCSEs, with a 100% pass rate. The number of Standard (4+) and Good (5+) passes was especially pleasing and the destinations data for students is extremely positive given the challenges these students faced during the pandemic years.

### Attendance data

School attendance data in 2022-23 was once again significantly lower than pre-pandemic levels.

School trend comparisons are meaningless year on year. What is clear, is that all LIFE Education Trust schools saw a drop in their attendance and a rise in their persistent absence rates; however, these figures are significantly better than national figures except at Dame Tipping and Ford End where governors have discussed plans for improvement and figures are now above average for September 2023.

### LIFE schools for whole year 2022/23

School	% Absence	% PA	% FSM absence
National Primary	6	17.2	11.4
Benhurst	6	15.9	13.1
Dame Tipping	8	34	29
Ford End	8.6	27.03	13.7
Roxwell	5.9	14.1	10.3
Margaretting	5.6	6.32	15.79

## LIFE Education Trust

### Trustees' Report for the year ended 31 August 2023

<b>National Secondary</b>	<b>9.3</b>	<b>28.3</b>	<b>16.8</b>
<b>FBA</b>	<b>6.2</b>	<b>17</b>	<b>9.3</b>
<b>Bridge</b>	<b>25.6</b>	<b>69</b>	

#### Going Concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy trust to continue as a going concern.

In making this assessment, the Trustees have taken into consideration inflationary pressures on costs, as described in the analysis of principal risks and uncertainties within the Trustees' report, and also the Government's Autumn Statement commitment to increase schools funding, applicable from April 2023. They have reviewed five-year scenario plans.

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

#### Financial Review

During the period, ESFA/LA grants received totalled £15,030,000 (2022: £13,864,000). Other income from educational operations totalled £664,000 (2022: £594,000). Restricted fund expenditure totalled £15,279,000 (2022: £14,224,000).

The main source of unrestricted income is from lettings, totalling £160,000 (2022 £165,000).

Most of the Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the 12-month period ended 31 August 2023 and the associated expenditure are shown as restricted funds in the Statement of financial activities.

The Trust also received grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, "Accounting for Reporting by Charities" (SORP 2015), such grants are shown in the Statement of financial activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Under the Charities SORP, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff, to a restricted fund. This results in reducing reserves shown in the total funds of the Trust. It should be noted that this does not present the Trust with any current liquidity problem.

Overall, the Trust has a healthy balance sheet and cash flow and will be using the reserves to maintain the current assets and also to invest back into the schools in the form of additional resources and facilities both in the long term and short term in conjunction with the trust development plans and schools' aims. Also, the increased revenue from lettings at both Frances Bardsley Academy and Benhurst Primary School will ensure future financial viability.

## LIFE Education Trust

### Trustees' Report for the year ended 31 August 2023

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#### Reserves Policy

The definition of reserves in the SORP is 'that part of a charity's income funds that is freely available for its general purposes'. This definition of reserves therefore normally excludes:

- permanent endowment funds
- expendable endowment funds
- restricted income funds
- any part of unrestricted funds not readily available for spending, specifically income funds which could only be realised by disposing of fixed assets held for charitable use

'Reserves' are therefore the resources the Trust has or can make available to spend for any or all of the Trust's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'reserves' are income which becomes available to the Academy and is to be spent at the trustees' discretion in furtherance of any of the Trust's objects (sometimes referred to as 'general purpose' income) but which is not yet spent, committed or designated (i.e. is 'free').

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The directors will keep this level of reserves under review at each Board meeting and aim to build and maintain the reserves level by entering into cost effective agreements as noted in Objectives and Activities above, whilst in keeping with the principal object of the Trust. The directors worked with the Trust Executive to create a robust Reserves Policy that takes into account the changing nature and composition of the Trust.

The trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The trustees expect to see the revenue budget for the coming financial year to be balanced within that year's income and not to utilise any of the previous year's underspend in order to balance the budget. Reserves, from any previous year's underspend, may be utilised for infrastructure, academy improvement, or for urgent health and safety matters. The expectation is that schools maintain reserves of at least 5% of their annual GAG income. This requirement does not apply to or include unrestricted income where academies have more freedom; but the unrestricted income accounts must still remain in surplus. This level of reserves is intended to provide sufficient working capital to cover delays between spending and receipts of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance and health and safety concerns.

Total revenue reserves at the end of the period amounted to £1,106,000 (2022: £1,361,000) before deductions of pension's reserve of £nil (2022: £154,000).

This balance includes unrestricted funds (free reserves) of £70,000 (2022: £nil), which is considered appropriate for the Trust, and restricted funds of £1,036,000 (2022: £1,361,000).

The amount of designations made in relation to the unrestricted reserves totals to £nil (2022: £nil).

The Trust Finance and Facilities committee receives financial updates for central Trust funds and for each school at every meeting. The Chief Executive Officer, Director of Operations and Director of Finance meet regularly to discuss operations and on a monthly basis to discuss the month end



## LIFE Education Trust

### Trustees' Report for the year ended 31 August 2023

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reports. This information is disseminated to the Chair of the Board and all trustees monthly. Rigorous annual and three-year financial scenario planning is in place.

#### **Investment Policy**

It should be noted that the Trust has some power with regards to investments due to cash balances held. Investment policies are determined at Trust level. This ensures the level of funds that each Academy holds can cover any immediate expenditure, without exposing them to additional risk. Should any potential investment opportunity arise this would be escalated to the Board for consideration. The most typical investments that are held by academies are the Special Interest Deposit accounts which are immediately available to draw against. At 31 August 2023, no Special Interest Deposit accounts were held.

#### **Principal Risks and Uncertainties**

The Trust is exposed to a number of financial risks including credit, cash flow and liquidity risks. Given the Trust's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The Trust's system of internal controls ensures risk is minimal in these areas.

A risk register has been created and is regularly reviewed at each Trust Committee and Board meeting. Where appropriate, systems or procedures have been established to mitigate the risks the Trust faces. Internal control risks are minimised by the implementation of procedures for control and authorisation of all transactions and projects.

The directors have assessed the major risks to which the Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Trust, its finances, premises and risks to reputation. The directors have implemented a number of systems to assess risks that the Trust faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains, they have ensured they have adequate insurance cover.

The Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

It should also be noted that procedures are in place to ensure compliance with health and safety of staff and pupils.

Please refer to the Reserves Policy above for a description of the defined benefit pension scheme.

#### **Fundraising**

The Trust does not use professional fundraisers. We have a number of "friends of schools" associations who are associated with our academies who raise funds to support the school. We do not work with any commercial or professional fundraisers. Any complaints about any aspect of fundraising are dealt with using the Trust complaints policy. No such complaints were received during the year. As we do not use professional fundraisers there is no risk arising from the protection of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.

# LIFE Education Trust

## Trustees' Report for the year ended 31 August 2023

### Streamlined energy and carbon reporting

#### UK Greenhouse gas emissions and energy use data for the period 1 September 2022 to 31 August 2023

Current reporting year 2022/23

Energy consumption used to calculate emissions (kWh)	2,079,674
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#### Scope 1 emissions in metric tonnes CO2e

Gas consumption	213.580
Kerosene consumption	29.539
LPG consumption	11.929
Owned transport	1.472
Total Scope 1	256.521

#### Scope 2 emissions in metric tonnes CO2e

Purchased electricity	145.884
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#### Scope 3 emissions in metric tonnes CO2e

Business travel in employee-owned vehicles	6.417
Purchased electricity (transmission and distribution)	12.621

Total gross emissions in metric tonnes CO2e	421.443
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Intensity ratio Tonnes CO2e per pupil	0.194
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#### Quantification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2023 UK Government's Conversion Factors for Company Reporting.

#### Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

#### Measures taken to improve energy efficiency

<b>The Frances Bardsley Academy for Girls</b>	None specified
<b>Dame Tipping C of E Primary School</b>	None specified

## LIFE Education Trust

### Trustees' Report for the year ended 31 August 2023

**UK Greenhouse gas emissions and energy use data for the period 1 September 2022 to 31 August 2023**

**Current reporting year 2022/23**

<b>Benhurst Primary School</b>	New computers IT suite LED lights hall Updates on some doors to reduce draft
<b>Roxwell C of E Primary School</b>	None specified
<b>Margaretting C of E Primary School</b>	LED lights through whole school
<b>Ford End C of E Primary School</b>	LED lights through whole school

#### Plans for Future Periods

We are delighted that three Colchester Voluntary Controlled Primary schools: Fordham All Saints, Holy Trinity in Eight Ash Green, and Chappel Primary joined the Trust on 1st November 2023. Langenhoe Primary School, also in Colchester, has affiliated for the 2023/24 academic year. This Colchester hub is the next step for the Trust as we grow to become a strong medium size trust working in clearly defined geographical hubs.

For the 2023/24 academic year the Trust will continue to focus on 3 key Priorities of Great People, Great Pupil Outcomes and Sustainable Systems.

Each of these is divided into 7 priority areas with actions allocated to operational and educational leaders. This full action plan is then reviewed by the directors on a termly basis. The full plan is available on request.

Directors will meet in January 2024 to discuss appropriate areas for the 2024/25 Plan in the light of current educational and political thinking.

In addition to this strategic planning, the CEO will continue to report to the directors on a termly basis about growth under 6 headings. These are:

- Consolidate: Build the capacity to run the educational and operational functions superbly for 10 schools (Growth through excellence and reputation)
- Mergers & Acquisitions: Add capacity through SATs or small MATS joining/merging (Growth through merger and acquisition)
- Church growth: Explore addition of VC schools and/or VA schools (Growth through legal structure and religious affiliation/ownership)
- Girls' schools: Explore addition of girls' schools (Growth through lead school identity and links)
- Grow Geographically: Explore addition of Havering or Essex schools: (Growth through proximity)
- Sponsorship: DfE asks us to take on an ineffective school

The CEO report explores the likelihood and the likely positive impact of growth in each of these areas in their report and is interrogated by directors. This serves as part of the risk management of growth and serves as early due diligence.

## LIFE Education Trust

### Trustees' Report for the year ended 31 August 2023

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#### **Auditor**

Insofar as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- 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.

Moore Kingston Smith LLP signified their willingness to continue in office and a resolution proposing that they be re-appointed as auditors will be put to the Annual General Meeting.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 12 December 2023 and signed on the board's behalf by:



**Louise Douglas**

*Trustee*

Date: 12 December 2023

## LIFE Education Trust

### Governance Statement for the year ended 31 August 2023

#### Scope of Responsibility

As trustees we acknowledge we have overall responsibility for ensuring that LIFE Education Trust has effective and appropriate systems of control, financial and otherwise. However, such systems are 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.

As trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

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

#### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of trustees has formally met 5 times during the year including their Strategic Away Day.

Attendance at main Board meetings in the year was as follows:

#### REGISTER OF BOARD OF DIRECTOR ATTENDANCE 2022-2023

NAME OF DIRECTOR	DATE OF MEETING				No of Attendances	
	6.9.22	29.11.22	14.3.23	15.7.23		
Mr Julian Duttall (CEO)	✓	✓	✓	✓	4 of 4	100
Mr Rob Bristow	dna	✓	✓	✓	3 of 4	75
Mrs Sophia Malik	✓	✓	✓	✓	4 of 4	100
Mrs Louise Douglas (Chair)	✓	✓	✓	✓	4 of 4	100
Mrs Mary Cherry	✓	✓	✓	✓	4 of 4	100
Mr Tony Morgan (Vice Chair)	✓	✓	✓	✓	4 of 4	100
Mr Paul Tinsley	aps	aps	restored		0 of 2	0
Mr Dean Jefferys	✓	✓	✓	✓	4 of 4	100
Average						84%

LIFE Education Trust

Governance Statement for the year ended 31 August 2023

Attendance at Local Governing Body meetings in the year was as follows:

<b>Benhurst Primary School</b>		
Governor	No of Attendance out of	Average
Anna Gray	6 of 6	
Abiola Fakayode	6 of 6	
Bev Mills	6 of 6	
Foluke Sangobowawle	6 of 6	
Fred Steel	5 of 6	
Chowdhury Sultan	6 of 6	
		97%
<b>The Bridge</b>		
Governor	No of Attendances out of	Average
Anna Hawkins	5 of 6	
Lisa Harvey	6 of 6	
Matt Dineen	6 of 6	
Rev Hingley	6 of 6	
Annelisa Kavanagh	3 of 5	
		89%
<b>Dame Tipping Primary School</b>		
Governor	No of Attendances out of	Average
Eve Knightbridge	5 of 6	
Sarah Bimpong	5 of 6	
David Anderton	1 of 6	
Paul Claydon	4 of 6	
Sharon Harris	6 of 6	
Dean Jefferys	6 of 6	
		76%
<b>Frances Bardsley Academy</b>		
Governor	No of Attendances out of	Average
Rev Hingley	6 of 6	
Louise Boxer	5 of 6	
Ally Peace	4 of 6	
Emma Anderton	5 of 6	
Nichola West	5 of 6	
Asma Kapadia	5 of 6	
Michelle Forde	5 of 6	

83%

LIFE Education Trust

Governance Statement for the year ended 31 August 2023

<b>Ford End Primary</b>		
Governor	No of Attendances out of	Average
Mary Regan	6 of 6	
Gill Howeson	6 of 6	
Hannah Hounsom	6 of 6	
Tim Pass	6 of 6	
Anna Sedina	2 of 6	
Stephanie Webb	6 of 6	
Rob Bristow	5 of 6	
		88%
<b>Margaretting Primary</b>		
Governor	No of Attendances out of	Average
Liz Fajimolu	5 of 6	
Sally Croft	4 of 6	
Suzanne Farris	5 of 6	
Becca Davey	5 of 6	
Emilie Darabasz	6 of 6	
		83%
<b>Roxwell Primary</b>		
Governor	No of Attendances out of	Average
Adam Love	5 of 6	
Reece Lake	5 of 6	
Tom Odell	5 of 6	
Tony Cant	5 of 6	
Suzanne Farris	6 of 6	
Ian Gurman	6 of 6	
		89%

The responsibilities and scope of duties of the trustees and its subcommittees is contained within the scheme of delegation. The Board uses a HealthCheck system for ensuring that it is fully aware of the performance of each of its schools. This system was originally based on a successful model from the Reach2 Multi Academy Trust. The Healthcheck areas during 2022/23 were Leadership and Management; Quality of Education; Personal Development, Behaviour and Attitudes, Safeguarding and SEND. Finance, HR and Premises reports were presented to local governance committees termly for information only. Each school works with its governors to provide a termly Healthcheck for each of these areas. Areas of concern are noted as red and an exception report is provided to the Board or its subcommittee.

## LIFE Education Trust

### Governance Statement for the year ended 31 August 2023

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#### **Conflicts of interest**

Conflicts of Interest are managed through the Financial Regulations Policy

The Trust ensures that anyone involved in spending public money that they do not benefit personally from any decisions they make. To avoid any misunderstanding that might arise all Trust directors, senior staff or staff with financial responsibility are required to declare any financial interests they have in companies or individuals from which the Trust may purchase goods or services. The register is open to public inspection and this is set out in detail in the Financial Regulations Policy. The Trust holds this register and it is publicly available.

The register should include all business interests such as directorships, shareholdings or other appointments of influence within a business or organisation which may have dealings with the Trust. The disclosures should also include business interests of relatives such as a parent or spouse or business partner where influence could be exerted over a director or a member of staff by that person. The Trust register holds these details.

The existence of a register of business interests does not detract from the duties of directors and staff to declare interests whenever they are relevant to matters being discussed by the board or a committee. Those who are considered to have a conflict of interest in the business proposed must absent themselves from any such discussion or vote. Those who had a conflict of interest in the business proposed absent themselves from any such discussion or vote on this matter.

The Members, Trustees, Governors and members of staff have a responsibility to avoid any conflict between their business and personal interests and affairs and the interests of the Trust.

The Trust and its academies maintain a register of business and pecuniary interests that lists for Members, Trustees, Governors and members of staff, any business interests that they, or any member of their immediate family have. The register is available for inspection by staff, parents, auditors and the Education and Skills Funding Agency (ESFA). The maintenance of the register helps LIFE Members, Trustees, Governors and members of staff to meet requirements for withdrawal from meetings due to a conflict of personal interest as stated in the DfE Governance Handbook and with reference to the Academies Trust Handbook.

The register includes:

- Business Interest declarations including directorships, shareholdings and other appointments of influence within a business or other organisation that may have dealings with the academy / Trust. The disclosures should also include business interests of related persons such as parent, spouse, child, cohabitee and business partner where influence could be exerted by that person over a Member, Trustee, Governor or a member of staff.
- Pecuniary Interests (monetary) such as providing supplies or services to the academy for staff other than their contracted job or within their role as member, trustee or governor.

Where a Member, Trustee, Governor or member of staff or related person has any interest, either pecuniary or non-pecuniary, in a matter to be discussed at a Members', Trust Board or Local Governing Body meeting the Member, Trustee, Governor or member of staff must declare their interest and withdraw from that part of the meeting.

Where a Member, Trustee, Governor, member of staff, or related person, has a pecuniary interest in a business, and that interest exceeds limits that may be specified in the Trust's Memorandum of Understanding or Articles of Association, the academy must not enter into any contract or arrangement (such as the purchase of goods and service) with that business. For example, an academy would not



## LIFE Education Trust

### Governance Statement for the year ended 31 August 2023

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generally be permitted to trade with a company in whom a Member, Trustee, Governor or member of staff holds more than 1% of the share capital.

It is the responsibility of Members, Trustees, Governors and members of staff to ensure their declarations of business interests are kept up to date at all times, and to amend or update them as necessary.

All Members, Trustees and Governors meetings' agendas contain a standing item for attendees to declare any changes to their declarations of interests.

At the beginning of each academic year every Member, Trustee, Governor and relevant member of staff is required to complete the appropriate form and ensure that it is updated throughout the year as and when any Business or Pecuniary interest may arise. Nil returns will also be required where a Member, Trustee, Governor or member of staff has no such interest. This is communicated to Trustees on a regular basis and at the start of every year.

#### **Governance reviews**

The Board reviewed their performance in September 2021 using the CST Improvement Capacity Framework for Governance. A series of actions were agreed and implemented as a result including the recommendation to request an External Review of Governance which took place in Spring 2022 and was conducted by the National Governance Association.

A detailed action plan was created in response to these recommendations and some additional areas which were identified by the Board. These were reviewed in the Autumn of 2022.

All governors conducted their annual skills audit in September 2022. Chairs of Governors met with all their governors individually in the summer of 2022 and again in the summer of 2023 to review their performance and discuss their role. This resulted in ensuring that all governing bodies have access to the National Governors Association information and website as well as a monthly training session provided by Trust leaders.

#### **The Finance and Facilities Committee**

The Finance and Facilities Committee is a sub-committee of the main board of trustees. Its purpose is outlined in its terms of reference and in the scheme of delegation. This includes but is not limited to:

Ensure all school Healthcheck documentation is completed effectively and efficiently
Set and review Risk Register for the MAT
Ensure all statutory policies are in place
Set central Trust contribution for schools within the MAT
Prepare annual budget for school
Approve annual budgets for all schools within the MAT
Review annual budgets for each school and the central Trust
Monitor school and Trust budgets
Review Trust 3-year financial forecast
Prepare the financial statements including Internal Audit reports for presentation to the Board

## LIFE Education Trust

### Governance Statement for the year ended 31 August 2023

Oversee the external audit and approve management letters
appointment of external auditors
Submit timely returns to ESFA in accordance with deadlines
Agree the annual programme of internal audit, review individual and annual reports
Approve and file accounting returns and approve financial statements
Appoint an internal auditor for each school within the MAT to ensure internal accounting controls are effective
Oversee financial procedures including compliance with DfE, EFSA and ATH.
Review the register of interests of budget holders regarding 3 <sup>rd</sup> party transactions
Monitor insurance arrangements including employers and public liability
Manage and determine capital developments including appointment of professional advisors
Receive reports on significant capital developments in individual schools
Oversee and implement site and premises operational management including compliance with Health and Safety and other legal requirements
Review the condition survey and asset management reports
Oversee arrangements for repairs and maintenance
Review plans for bids and refurbishment projects
Review annual Health and Safety audit and major incident reports

As well as fulfilling the above, the Committee has overseen the audit process and scenario plans. During 2022/23, one successful CIF bid was made and then overseen by the committee to maximise grant income.

#### **Review of Value for Money**

As accounting officer, the Chief Executive Officer has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes, as well as estates safety and management, achieved in return for the taxpayer resources received.

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

- Reviewing staffing costs at all schools.
- Leading on a budget process to ensure efficient use of funds
- On-going reviewing the leadership and management of all schools so that they are affordable as well as effective.
- Working with the Director of Operations to win a successful CIF bid for £293,000 which has ensured vital work is done whilst reducing the strain on school budgets.
- Using the combined buying power of the Trust to reduce the cost of contracts and services to all schools e.g. Energy costs.
- Appointing a Director of Finance charged with ensuring an efficient and effective system of financial control

## LIFE Education Trust

### Governance Statement for the year ended 31 August 2023

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#### **The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in LIFE Education Trust for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

#### **Capacity to Handle Risk**

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees and on a termly basis by the Trust Committees with the likelihood and seriousness of all risks considered and suitable mitigation factors checked and approved.

#### **The Risk and Control Framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees.
- regular reviews by the finance and general purposes 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
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has appointed School Business Manager Services as internal auditor for all schools for the period 1 September 2022 to 31 August 2023. This option has been chosen because SBM are sector experts and have provided good service to the Trust previously.

The internal audit role includes giving advice on financial matters and performing a range of checks aligned with the Academy Trust Handbook on the trust's financial systems. In particular, the checks carried out in the current period included:

## LIFE Education Trust

### Governance Statement for the year ended 31 August 2023

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- Administration, Finance & Management Systems
- Governance
- Income
- Payroll
- Purchasing and creditors
- Bank and cash
- Fixed Assets
- Budget
- VAT

On a regular basis, the internal reviewer reports to the board of trustees, through the Finance and Facilities Committee, on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The Trust can confirm that the internal auditors delivered their schedule of work as planned. There were no material control issues arising from the reports.

#### **Review of Effectiveness**

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

- the work of the internal auditor
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the board of trustees on 12 December 2023 and signed on its behalf by:



Louise Douglas  
Trustee

## LIFE Education Trust

### Statement of regularity, propriety and compliance

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As accounting officer of the LIFE Education Trust, I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the academy trust board of trustees can identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2022.

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



Mr J R Dutnall  
*Accounting Officer*

Date: 12 December 2023

## LIFE Education Trust

### Statement of trustees' responsibilities

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

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 12 December 2023 and signed on its behalf by:



Louise Douglas  
Trustee

**LIFE Education Trust**

**MEMBERS 4**  
 Representative of Chelmsford Diocesan Educational Trust (CDET), David Mansfield, Megan Murphy, Ian Wigston,  
**RESPONSIBILITIES**  
 (1) Wind up the Trust (2) Amend Articles of Association, (3) Appoint Members / Directors (4) Remove Any Director (Specific Route)  
 NB Must be a minimum of 3 members

**BOARD OF DIRECTORS** 8 - 10 Directors recommended, must be a minimum of 3 Directors  
 2 Church appointed Non Executive Directors (Louise Douglas, Paul Tinsley)  
 5 Non Executive Directors (Tony Morgan, Sophia Malik, Dean Jefferys, Mary Cherry, Rob Bristow)  
 1 Employed Director (CEO, Julian Duhall)

**RESPONSIBILITIES**  
 (1) Setting Strategic Direction (2) Setting Ethos, (3) Holding the CEO to account  
 (4) Overseeing financial performance of the MAT (5) Ensuring accountability of Local Governance Committees

**NOTE:** Company Law - Director, Charity Law - Trustee

**Pay & Personnel Committee**  
 Pay, Staffing Structures, HR  
 4 Directors (Mrs Douglas, Mr Duhall, Mrs Malik, Mr Morgan)  
 Associate Member (Ms Franke)  
 Meets 4 times a year

**Standards Committee**  
 Attainment, Progress, Teaching & Learning  
 4 Directors (Mr Duhall, Mr Tinsley, Mr Bristow, Mrs Douglas)  
 Associate Member (VACANCY)  
 Meets 4 times a year

**Finance & Facilities Committee**  
 Audit, Budget, Building Works  
 4 Directors (Mr Duhall, Mrs Cherry, Mr Jefferys, Mr Morgan)  
 Associate Member (Mr Dhadwar)  
 Meets 3 times a year

**Schools in the Trust will each have a Local Governance Committee**  
 6-8 Members maximum preferred (appointed by Directors), 2 Parent Members (essential), 1 Head of School (ex-officio), No Sub Committees, Working Parties (where necessary), Meets at half termly

**CORE ROLE OF LOCAL GOVERNANCE COMMITTEES:**  
 (1) 6 Health Check areas; (2) Local Governance Committees are committees of the Board and responsible to the Directors  
 (3) Local Governance Committees are not legal entities in their own right and are bound by the Scheme of Delegation

**Life Governance Structure**

# Independent Auditor's Report on the Financial Statements to the Members of LIFE Education Trust

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## **Opinion**

We have audited the financial statements of LIFE Education Trust ('the academy trust') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2022 to 2023 issued by the ESFA.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRS'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**

In auditing the financial statements we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

## **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

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, therefore 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.



# Independent Auditor's Report on the Financial Statements to the Members of LIFE Education Trust (continued)

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## **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 strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements, and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

We have nothing to report in respect of the following matters where 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 or 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 set out on page 28, the trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **Auditor's responsibilities for the audit of the financial statements**

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

## Independent Auditor's Report on the Financial Statements to the Members of LIFE Education Trust (continued)

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As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the academy trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the academy trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the academy trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit any significant audit findings, including and significant deficiencies in internal control that we identify during our audit.

### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charities SORP 2019, the Academies Accounts Direction 2022 to 2023, the Academies Financial Handbook 2022 and UK financial reporting standards as issued by the Financial Reporting Council;
- We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.

Independent Auditor's Report on the Financial Statements to the Members of  
LIFE Education Trust  
(continued)

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- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

**Use of this report**

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

*Moore Kingston Smith LLP*

Date: 15 December 2023

**James Cross (Senior Statutory Auditor)**  
for and on behalf of Moore Kingston Smith LLP

9 Appold Street  
London  
EC2A 2AP

## Independent Reporting Accountant's Assurance Report on Regularity to LIFE Education Trust and the Education and Skills Funding Agency

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In accordance with the terms of our engagement letter dated 28 September 2021 and further to the requirements of the Education Funding and Skills Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023 we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by LIFE Education Trust during the period 1 September 2022 to 31 August 2023 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 LIFE Education Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to LIFE Education Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than LIFE Education Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of LIFE Education Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of LIFE Education Trust's funding agreement with the Secretary of State for Education dated 2 November 2013 and the Academies Financial Handbook, extant from 1 September 2022 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 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 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 2022 to 2023 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

## Independent Reporting Accountant's Assurance Report on Regularity to LIFE Education Trust and the Education and Skills Funding Agency

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The work undertaken to draw to our conclusion includes:

- Review of the Accounting Officer's statement on regularity, propriety and compliance and the evidence supporting it;
- Undertaking a risk assessment based on our understanding of the general control environment and any weaknesses in internal controls identified by our audit of the financial statements;
- Review of minutes of the Board, various committees and sub-committees, management accounts, internal scrutiny findings reports and discussions with key personnel;
- Evaluation and walk through of the implementation of the internal control procedures, and detailed review of the control environment for any changes or weaknesses;
- Walk through and sample testing of staff expense claims and credit card expenditure, to ensure these adhere to internal control procedures and are not for personal benefit;
- Sample test transactions for compliance with procurement policies, and that these comply with delegated authorities;
- Obtain and review key staff and governors' register of interests;
- Sample test transactions for compliance with procurement policies, and that these comply with delegated authorities.

### Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Date: 15 December 2023

*Moore Kingston Smith LLP*

**Moore Kingston Smith LLP**  
Reporting Accountants

9 Appold Street  
London  
EC2A 2AP

LIFE Education Trust

Statement of Financial Activities for the year ended 31 August 2023

(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2023 £000	Total 2022 £000
<b>Income and endowments from:</b>						
Donations and capital grants	2	50	-	829	879	377
Charitable activities:						
Funding for the academy trust's educational operations	3	664	15,030	-	15,694	14,458
Other trading activities	4	316	-	-	316	288
<b>Total</b>		<b>1,030</b>	<b>15,030</b>	<b>829</b>	<b>16,889</b>	<b>15,123</b>
<b>Expenditure on:</b>						
Charitable activities:						
Academy trust educational operations	5, 6	538	15,414	570	16,522	15,307
<b>Total</b>		<b>538</b>	<b>15,414</b>	<b>570</b>	<b>16,522</b>	<b>15,307</b>
<b>Net income/(expenditure)</b>		<b>492</b>	<b>(384)</b>	<b>259</b>	<b>367</b>	<b>(184)</b>
Transfers between funds	15	(492)	569	(77)	-	-
<b>Other recognised gains/(losses):</b>						
Actuarial (losses)/gains on defined benefit pension schemes	15, 22	-	286	-	286	5,156
<b>Net movement in funds</b>		<b>-</b>	<b>471</b>	<b>182</b>	<b>653</b>	<b>4,972</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		-	1,207	30,043	31,250	26,278
<b>Total funds carried forward</b>		<b>-</b>	<b>1,678</b>	<b>30,225</b>	<b>31,903</b>	<b>31,250</b>

All of the academy's activities derive from continuing operations during the above two financial periods.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

The detailed comparative information for the Statement of Financial Activities is included on note 25.

LIFE Education Trust  
Balance Sheet as at 31 August 2023

Company number: 08102628

	Notes	2023 £000	2023 £000	2022 £000	2022 £000
<b>Fixed assets</b>					
Tangible assets	11		29,914		30,043
<b>Current assets</b>					
Debtors	12	629		360	
Cash at bank and in hand		<u>2,528</u>		<u>2,334</u>	
		3,157		2,694	
<b>Liabilities</b>					
Creditors : Amounts falling due within one year	13	<u>(1,168)</u>		<u>(1,324)</u>	
<b>Net current assets</b>			1,989		1,370
<b>Total assets less current liabilities</b>			31,903		31,413
Creditors: Amounts falling due after more than one year	14		-		(9)
<b>Net assets excluding pension liability</b>			31,903		31,404
Defined benefit pension scheme liability	22		-		(154)
<b>Total net assets</b>			<u>31,903</u>		<u>31,250</u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>					
Fixed asset fund	15	30,225		30,043	
Restricted income fund	15	1,678		1,361	
Pension reserve	15	<u>-</u>		<u>(154)</u>	
<b>Total restricted funds</b>			31,903		31,250
<b>Unrestricted income funds</b>	15		-		-
<b>Total funds</b>			<u>31,903</u>		<u>31,250</u>

The financial statements on pages 36 to 53 were approved by the trustees, and authorised for issue on 12 December 2023 2023 and are signed on their behalf by:



Mrs L Douglas  
Trustee

Company Registration Number: 08102628 (England and Wales)

LIFE Education Trust

Statement of Cash Flow for the year ended 31 August 2023

	Notes	2023 £000	Restated 2022 £000
<b>Cash flows from operating activities</b>			
<b>Net cash provided by/(used in) operating activities</b>	<b>19</b>	(217)	1,136
<b>Cash flows from investing activities</b>	<b>20</b>	411	(498)
<b>Change in cash and cash equivalents in the reporting period</b>		<u>194</u>	<u>638</u>
<b>Cash and cash equivalents at 1 September 2022</b>		2,334	1,696
<b>Cash and cash equivalents at 31 August 2023</b>		<u><b>2,528</b></u>	<u><b>2,334</b></u>



## 1 Statement of Accounting Policies

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

### Company information

LIFE Education Trust is a private company limited by guarantee, domiciled and incorporated in England and Wales. The registered office and principal place of business is Brentwood Road, Romford, Essex, RM1 2RR.

### Basis of Preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: 'Statement of Recommended Practice' applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006.

LIFE Education Trust meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest thousand pound.

The Statement of Cash Flows comparative year brought forward balance has been restated to correct the disclosure.

### Going Concern

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

### Income

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

#### • Grants

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

General Annual Grant is recognised in full in the statement of Financial Activities in the year for which it is receivable and any abatement in respect of the 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.

#### • Donations

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

#### • Other Income

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

#### • Donated goods, facilities and services

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

**1 Statement of Accounting Policies (continued)****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 a 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 the support costs involved in undertaking each activity. Direct costs attributable to a single activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with 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.

**• Charitable Activities**

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

All resources expended are inclusive of irrecoverable VAT.

**Tangible Fixed Assets**

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Freehold buildings	2% straight line
Long leasehold buildings	Straight line basis over the term of the lease
Fixtures, fittings and equipment	20% straight line
Computer hardware	33% straight line

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

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

**Liabilities**

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

**Provisions**

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

Provisions are measured at the best estimate of the amounts required to settle an 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 last 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.

**Leased Assets**

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

**1 Statement of Accounting Policies (continued)**

**Financial Instruments**

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

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

**Taxation**

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 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.

**Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**Pensions Benefits**

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

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

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

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

**Fund Accounting**

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

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

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

**1 Statement of Accounting Policies (continued)****Critical accounting estimates and areas of judgment**

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

**Critical accounting estimates and assumptions**

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (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 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. 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.

The ultimate responsibility for setting the assumptions is that of the academy trust, as the employer, however each year the LGPS actuary proposes a standard set of assumptions as part of the valuation exercise, using their expert opinion, and which comply with the accounting requirements. The academy trust has, in practice with most employers, adopted the recommended actuarial assumptions.

One of the key assumptions in the discount rate, which is the estimated rate of long-term investment returns. This year the discount rate of 5.25% is higher than the rate of 4.25% used in the prior year as the bond yield at 31 August 2023 is higher at all terms than at 31 August 2022. Since a higher discount rate means the present value of liabilities is lower, this results in lower overall net liabilities.

Demographic assumptions have been adopted in line with those used in the most recent actuarial valuation as at 31 March 2022, with the exception of an update of the CMI 'Continuous Mortality Investigation' projection model, which has been based on the more recently published updated standard mortality projections model 'CMI\_2022', which has been used as the basis for mortality assumptions. Updating the future improvements model to the CMI 2022 model has reduced assumed life expectancies which results in an improve to the balance sheet position.

**2 Donations and capital grants**

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2023 £000	Total 2022 £000
Capital Grants	-	-	829	829	349
Other donations	50	-	-	50	28
<b>2023 Total</b>	<b>50</b>	<b>-</b>	<b>829</b>	<b>879</b>	<b>377</b>
<b>2022 Total</b>	<b>18</b>	<b>10</b>	<b>349</b>		<b>377</b>

**3 Funding for the Academy Trust's Educational Operations**

	Unrestricted Funds £000	Restricted Funds £000	Total 2023 £000	Total 2022 £000
<b>DfE / ESFA revenue grants</b>				
General Annual Grant (GAG)	-	12,292	12,292	11,823
Other DfE/ESFA grants				
UIFSM	-	106	106	99
Pupil Premium	-	576	576	419
Others	-	919	919	562
	-	13,893	13,893	12,903
<b>Other Government grants</b>				
Local authority grants	-	1,137	1,137	961
	-	1,137	1,137	961
<b>Other Income from the academy trust's educational operations</b>	664	-	664	594
<b>2023 Total</b>	<b>664</b>	<b>15,030</b>	<b>15,694</b>	<b>14,458</b>
<b>2022 Total</b>	<b>594</b>	<b>13,864</b>		<b>14,458</b>

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Notes to the Financial Statements for the year ended 31 August 2023 (continued)

4 Other trading activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2023 £000	Total 2022 £000
Hire of facilities	160	-	160	165
Income from other charitable activities	156	-	156	123
<b>2023 Total</b>	<b>316</b>	<b>-</b>	<b>316</b>	<b>288</b>
<b>2022 Total</b>	<b>288</b>	<b>-</b>		<b>288</b>

5 Expenditure

	Staff Costs £000	Non Pay Expenditure		Total 2023 £000	Total 2022 £000
		Premises £000	Other £000		
Academy's educational operations:					
Direct costs	9,737	570	1,102	11,409	10,811
Allocated support costs	2,760	941	1,412	5,113	4,495
<b>2023 Total</b>	<b>12,497</b>	<b>1,511</b>	<b>2,514</b>	<b>16,522</b>	<b>15,306</b>
<b>2022 Total</b>	<b>12,254</b>	<b>1,102</b>	<b>1,952</b>		<b>15,306</b>

Net income/(expenditure) for the period includes:	2023 £000	Restated 2022 £000
Operating leases rentals	33	27
Depreciation	570	605
Fees payable to auditor for:		
Audit	21	20
Other services	15	12
Prior year underaccrual	11	28

6 Charitable Activities

	Total 2023 £000	Total 2022 £000
Direct costs - educational operations	11,409	10,812
Support costs - educational operations	5,113	4,495
<b>2023 Total</b>	<b>16,522</b>	<b>15,307</b>

Analysis of support costs

	Educational operations £000	Total 2023 £000	Total 2022 £000
Support staff costs	2,760	2,760	2,387
Depreciation	570	570	605
Technology costs	378	378	213
Premises costs	941	941	497
Other support costs	382	382	728
Legal costs conversion	26	26	-
Governance costs	56	56	65
<b>Total support costs</b>	<b>5,113</b>	<b>5,113</b>	<b>4,495</b>

LIFE Education Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

**7 Staff**

**a. Staff costs**

Staff costs during the period were:

	2023 £000	2022 £000
Wages and salaries	9,120	8,526
Social security costs	930	852
Operating costs of defined benefit pension scheme	2,044	2,558
	<u>12,094</u>	<u>11,936</u>
Supply staff costs	269	319
Staff restructuring costs	134	-
	<u>12,497</u>	<u>12,255</u>
Staff restructuring costs comprise:		
Redundancy statements	134	-
	<u>134</u>	<u>-</u>

**b. Severance payments**

The academy trust paid 14 severance payments in the year, disclosed in the following bands:

	2023 No.	2022 No.
£0 - £25,000	14	-

**c. Special staff severance payments**

Included in staff restructuring costs are special severance payments totalling £11,372 (2022: £nil). Individually, the payments were: £8,656 and £2,716 (2022: £nil).

**d. Staff numbers**

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

	2023 No.	2022 No.
Teachers	112	114
Administration and support	177	160
Management	33	21
	<u>322</u>	<u>295</u>

The full time equivalent number of persons employed by the trust during the period was as follows:

	2023 No.	2022 No.
Teachers	97	97
Administration and support	91	90
Management	31	20
	<u>219</u>	<u>207</u>

**e. Higher paid staff**

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

	2023 No.	2022 No.
£60,001 - £70,000	6	2
£70,001 - £80,000	4	4
£80,001 - £90,000	1	3
£90,001 - £100,000	2	-
£140,001 - £150,000	1	1

**f. Key management personnel**

The key management personnel of the academy trust comprise the trustees, the trust executive team as listed on page 1 and the senior leadership team of each of the schools within the trust. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £2,261,000 (2022: £1,823,000).

**8 Related Party Transactions - Trustees' Remuneration and Expenses**

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

Mr J R Dutnall	
Remuneration	£140,000 - £150,000 (2022: £140,000 - £150,000)
Employer's pension contributions	£35,000 - £40,000 (2022: £30,000 - £35,000)

During the year ended 31 August 2023, travel and subsistence expenses and tuition fees totalling £3,053 (2022: £753) were reimbursed or paid directly to 2 trustees (2022: 1 trustee).

**9 Trustees and officers insurance**

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31 August 2023 was not separately identifiable from the total insurance cost.

**10 Disclosure of central services**

The academy trust has provided central services to its academies during the year, including human resources, financial services, legal services and educational support services.

The trust charges for these services based on rates of a minimum of £45,000 or 9% of the individual schools' ESFA core income in 2022/23. The Bridge, incorporated within Frances Bardsley, has also been charged at a rate of £50,000. Additional services were provided during the year that were contributed to.

The actual amounts charged during the year were as follows:

	2023 £000	2022 £000
The Frances Bardsley Academy for Girls	848	807
Benhurst Primary School	166	161
Dame Tipping Primary	50	50
Margaretting Primary School	50	50
Roxwell Primary School	50	50
Ford End Primary School	50	50
	<u>1,214</u>	<u>1,168</u>

LIFE Education Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

11 Tangible fixed assets

	Freehold Land and Buildings £000	Leasehold Land and Buildings £000	Furniture and Equipment £000	Computer Equipment £000	Total £000
<b>Cost</b>					
At 1 September 2022	25,863	7,538	433	649	34,483
Additions	341	18	13	46	418
At 31 August 2023	26,204	7,556	446	695	34,901
<b>Depreciation</b>					
At 1 September 2022	3,278	281	308	573	4,440
Charged in year	410	66	31	40	547
At 31 August 2023	3,688	347	339	613	4,987
<b>Net book values</b>					
At 31 August 2023	22,516	7,209	107	82	29,914
At 31 August 2022	22,585	7,257	125	76	30,043

12 Debtors

	2023 £000	2022 £000
Trade debtors	61	67
VAT recoverable	68	151
Other debtors	44	-
Prepayments and accrued income	456	142
	629	360

13 Creditors: Amounts falling due within one year

	2023 £000	2022 £000
Trade creditors	276	226
Other taxation and social security	213	214
Other creditors	244	213
Accruals and deferred income	435	671
	1,168	1,324

Deferred income

	2023 £000	2022 £000
Deferred income as at 1 September 2022	265	386
Resources deferred in the year	232	265
Amounts released from previous years	(265)	(386)
Deferred income as at 31 August 2023	232	265

At the balance sheet date the academy trust was holding funds received in advance for ESFA income of £135,000 (2022: £80,000), Local Authority income of £37,248 (2022: £59,000), trip income of £nil (2022: £49,000), music fee income of £9,932 (2022: £4,000), capital projects income of £nil (2022: £55,000), events income of £10,085 (2022: £9,000), educational tools income of £40,093 (2022: £9,000), (2022: £13,000) and LAC pupil premium income of £7,347 (2022: £5,000).

14 Creditors: amounts falling due after more than one year

	2023 £000	2022 £000
Other creditors	-	9
	-	9



LIFE Education Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

15 Funds

	Balance at 1 September 2022 £000	Incoming Resources £000	Resources Expended £000	Gains, Losses and Transfers £000	Balance at 31 August 2023 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	1,361	12,292	(12,544)	569	1,678
UIFSM	-	106	(106)	-	-
Pupil Premium	-	576	(576)	-	-
Other grants	-	919	(919)	-	-
Local Authority Grant	-	1,137	(1,137)	-	-
Pension reserve	(154)	-	(132)	286	-
	<u>1,207</u>	<u>15,030</u>	<u>(15,414)</u>	<u>855</u>	<u>1,678</u>
<b>Restricted fixed asset funds</b>					
DfE/ESFA capital grants	30,043	829	(570)	(77)	30,225
	<u>30,043</u>	<u>829</u>	<u>(570)</u>	<u>(77)</u>	<u>30,225</u>
<b>Total restricted funds</b>	<b>31,250</b>	<b>15,859</b>	<b>(15,984)</b>	<b>778</b>	<b>31,903</b>
<b>Total unrestricted funds</b>	<b>-</b>	<b>1,030</b>	<b>(538)</b>	<b>(492)</b>	<b>-</b>
<b>Total funds</b>	<b>31,250</b>	<b>16,889</b>	<b>(16,522)</b>	<b>286</b>	<b>31,903</b>

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

	Balance at 1 September 2021 £000	Incoming Resources £000	Resources Expended £000	Gains, Losses and Transfers £000	Balance at 31 August 2022 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	1,003	11,823	(11,389)	(76)	1,361
Start Up Grant	-	-	-	-	-
UIFSM	-	99	(99)	-	-
Pupil Premium	-	419	(419)	-	-
Other grants	-	572	(572)	-	-
Transfer on conversion	-	-	-	-	-
Local Authority Grant	-	961	(961)	-	-
Pension reserve	(4,526)	-	(784)	5,156	(154)
	<u>(3,523)</u>	<u>13,874</u>	<u>(14,224)</u>	<u>5,080</u>	<u>1,207</u>
<b>Restricted fixed asset funds</b>					
DfE/ESFA capital grants	29,801	349	(605)	498	30,043
	<u>29,801</u>	<u>349</u>	<u>(605)</u>	<u>498</u>	<u>30,043</u>
<b>Total restricted funds</b>	<b>26,278</b>	<b>14,223</b>	<b>(14,829)</b>	<b>5,578</b>	<b>31,250</b>
<b>Total unrestricted funds</b>	<b>-</b>	<b>900</b>	<b>(478)</b>	<b>(422)</b>	<b>-</b>
<b>Total funds</b>	<b>26,278</b>	<b>15,123</b>	<b>(15,307)</b>	<b>5,156</b>	<b>31,250</b>

**Total funds analysis by academy**

Fund balances at 31 August 2023 were allocated as follows:

	Total 2023 £000	Total 2022 £000
The Frances Bardsley Academy for Girls	1,277	994
Benhurst Primary School	218	132
Dame Tipping Primary	96	78
Margaretting Primary School	28	25
Roxwell Primary School	(3)	(10)
Ford End Primary School	61	25
Central services	1	117
Total before fixed assets and pension reserve	1,678	1,361
Restricted fixed asset fund	30,225	30,043
Pension reserve	-	(154)
<b>Total funds</b>	<b>31,903</b>	<b>31,250</b>

The Trust had succeeded in reducing the deficit at Roxwell over the past few years and is working with local management to eliminate such, funding permitting, in the future.

**16 Funds (continued)****Total cost analysis by academy**

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

	Teaching and Educational Support Staff Costs £000	Other Support Staff Costs £000	Educational Supplies £000	Other Costs (excluding depreciation) £000	2023 Total £000	2022 Total £000
The Frances Bardsley Academy for Girls	6,691	983	1,514	684	9,872	9,082
Benhurst Primary School	1,527	233	270	149	2,179	2,178
Dame Tipping Primary	474	111	105	40	730	703
Margaretting Primary School	387	42	93	32	554	553
Roxwell Primary School	364	62	94	26	546	500
Ford End Primary School	314	65	69	27	475	496
Central services	475	734	50	204	1,463	1,191
	<b>10,232</b>	<b>2,230</b>	<b>2,195</b>	<b>1,162</b>	<b>15,819</b>	<b>14,703</b>

**17 Analysis of net assets between Funds**

Fund balances at 31 August 2023 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	29,914	29,914
Current assets	-	2,846	311	3,157
Current liabilities	-	(1,168)	-	(1,168)
Non-current liabilities	-	-	-	-
Pension scheme liability	-	-	-	-
<b>Total net assets</b>	<b>-</b>	<b>1,678</b>	<b>30,225</b>	<b>31,903</b>

Fund balances at 31 August 2022 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	30,043	30,043
Current assets	-	2,694	-	2,694
Current liabilities	-	(1,324)	-	(1,324)
Non-current liabilities	-	(9)	-	(9)
Pension scheme liability	-	(154)	-	(154)
<b>Total net assets</b>	<b>-</b>	<b>1,207</b>	<b>30,043</b>	<b>31,250</b>

LIFE Education Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

**18 Commitments under operating leases**

**a) Operating Leases**

At 31 August 2023 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	<b>2023</b> <b>£000</b>	<b>2022</b> <b>£000</b>
Amounts due within one year	27	15
Amounts due between two and five years	27	2
	<u>54</u>	<u>17</u>

**19 Reconciliation of Net Income/(expenditure) to Net Cash Inflow from Operating Activities**

	<b>2023</b> <b>£000</b>	<b>2022</b> <b>£000</b>
Net income/(expenditure) for the reporting period	367	(184)
<i>Adjusted for:</i>		
Depreciation	547	605
Capital grants from DfE/ESFA and other capital income	(829)	(349)
Defined benefit pension scheme cost less contributions payable	132	784
(Increase)/decrease in debtors	(269)	(209)
Increase/(decrease) in creditors	(165)	489
Net Cash provided by / (used in) Operating Activities	<u>(217)</u>	<u>1,136</u>

**20 Cash flows from investing activities**

	<b>2023</b> <b>£000</b>	<b>2022</b> <b>£000</b>
Purchase of tangible fixed assets	(418)	(847)
Capital grants from DfE Group	829	349
Net Cash provided by / (used in) investing Activities	<u>411</u>	<u>(498)</u>

**21 Analysis of cash and cash equivalents**

	<b>2023</b> <b>£000</b>	<b>2022</b> <b>£000</b>
Cash in hand and at bank	2,528	2,334
<b>Total cash and cash equivalents</b>	<u>2,528</u>	<u>2,334</u>

## 22 Pension and Similar Obligations

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS 31 March 2022.

Contributions amounting to £215,355 were payable to the schemes at 31 August 2023 (2022: £208,931) and are included within creditors.

### Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions 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 every 4 years. 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 affecting contributions during the year was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 26 October 2023. The key elements of the valuation are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% employer administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million giving a notional past service deficit of £39,800 million
- the SCAPE (Superannuation Contributions Adjusted for Past Experience) rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is based on OBR's forecast for long-term GDP growth. The current SCAPE rate is 1.7% above the rate of CPI.

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the period amounted to £1,317,000 (2022: £1,246,000).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

# LIFE Education Trust

## Notes to the Financial Statements for the year ended 31 August 2023 (continued)

### 22 Pension and Similar Obligations (continued)

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £641,000 (2022: £669,000), of which employer's contributions totalled £500,000 (2022: £528,000) and employees' contributions totalled £141,000 (2022: £141,000). The agreed contribution rates for future years are 21.8% - 25% for employers, with employee rates banded according to salary.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an 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

	2023	2022
Rate of increase in salaries	3.80%	3.88%
Rate of increase for pensions in payment/inflation	2.95%	3.20%
Discount rate for scheme liabilities	5.25%	4.25%

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

	2023 years	2022 years
<i>Retiring today</i>		
Males	20.80	21.30
Females	23.60	23.80
<i>Retiring in 20 years</i>		
Males	21.70	22.50
Females	25.00	25.30

#### Sensitivity analysis

Approximate monetary increase/(decrease) to the obligation as a result of the following changes in assumptions at 31 August 2023 are set out below:

	2023 £000	2022 £000
Discount rate -0.1%	173	190
Salary increase 0.1%	7	6
CPI rate +0.1%	168	185

#### The academy's share of the assets in the scheme were:

	2023 £000	2022 £000
Equity instruments	4,611	3,890
Gilts	8	2,468
Corporate bonds	2,950	-
Property	2,017	2,342
Cash and other liquid assets	708	357
Other	197	-
<b>Total market value of assets</b>	<b>10,491</b>	<b>9,057</b>

**22 Pension and Similar Obligations (continued)**

Amounts recognised in the statement of financial activities:

	2023 £000	2022 £000
Current service cost	(624)	(1,203)
Interest income	393	157
Interest cost	(401)	(237)
Total amount recognised in the SOFA	<u>(632)</u>	<u>(1,283)</u>

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

	2023 £000	2022 £000
<b>At 1 September</b>	9,211	13,826
Current service cost	624	1,203
Interest cost	401	237
Employee contributions	141	141
Actuarial (gain)/loss	(1,009)	(5,967)
Benefits paid	(236)	(229)
<b>At 31 August</b>	<u>9,132</u>	<u>9,211</u>

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

	2023 £000	2022 £000
<b>At 1 September</b>	9,057	9,300
Interest	393	157
Actuarial gain/(loss)	(23)	(312)
Employer contributions	500	-
Employee contributions	141	141
Benefits paid	(236)	(229)
<b>At 31 August</b>	<u>9,832</u>	<u>9,057</u>

The net asset of £700,000 has not been recognised on the balance sheet in accordance with FRS 102 paragraph 28.22. The movement in asset value restricted is included in the actuarial gain in the Statement of Financial Activities as follows:

Actuarial gain:

Net actuarial gain	986	5,655
Movement in restriction of net asset	<u>(700)</u>	<u>-</u>
	<u>286</u>	<u>5,655</u>

**23 Related Party Transactions**

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

The following related party transaction took place in the period of account:

Judith Dutnall, spouse of Julian Dutnall, the CEO, is employed on a fixed-term contract by the academy trust as the Forest School Advisor. Julian Dutnall was not involved in the decision-making process regarding the appointment. Judith Dutnall is paid at the lower end of the pay range for a senior education advisor role and receives no special treatment as a result of her relationship with the CEO.

The Trust paid £732 (2022: £1,672) to Graffham Consulting, of which Mrs Louise Douglas is a director, during 2022/23 for services related to Safeguarding Training.

The Trust acting as Dame Tipping Primary School, Margaretting Primary School and Roxwell Primary School and Dame Tipping Primary School paid £11,480 (2022: £19,156) to Wild Child Limited, a company wholly owned by Mrs Judith Dutnall, the wife of Mr Julian Dutnall, the Trust CEO and a director.

The Trust received £1,394 (2022: £nil) from Ambition Institute for work done by Julian Dutnall for work completed within Julian's working hours at LIFE Education Trust.

**24 Events after the balance sheet date**

Three Colchester Voluntary Controlled Primary schools: Fordham All Saints, Holy Trinity in Eight Ash Green, and Chappel Primary joined the Trust on 1st November 2023. Langenhoe Primary School, also in Colchester, has affiliated for the 2023/24 academic year. This Colchester hub is the next step for the Trust as we grow to become a strong medium size trust working in clearly defined geographical hubs.

LIFE Education Trust

Notes to the Financial Statements for the year ended 31 August 2023 (continued)

25 Comparative Statement of Financial Activities

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2022 £000
<b>Income and endowments from:</b>				
Donations and capital grants	18	10	349	377
Transfer from Local Authority on conversion	-	-	-	-
<b>Charitable activities:</b>				
Funding for the academy trust's educational operations	594	13,864	-	14,458
Other trading activities	288	-	-	288
<b>Total</b>	<b>900</b>	<b>13,874</b>	<b>349</b>	<b>15,123</b>
<b>Expenditure on:</b>				
<b>Charitable activities:</b>				
Academy trust educational operations	478	14,224	605	15,307
<b>Total</b>	<b>478</b>	<b>14,224</b>	<b>605</b>	<b>15,307</b>
<b>Net income / (expenditure)</b>	<b>422</b>	<b>(350)</b>	<b>(256)</b>	<b>(184)</b>
Transfers between funds	(422)	(76)	498	-
<b>Other recognised gains/(losses):</b>				
Actuarial (losses) / gains on defined benefit pension schemes	-	5,156	-	5,156
<b>Net movement in funds</b>	<b>-</b>	<b>4,730</b>	<b>242</b>	<b>4,972</b>
<b>Reconciliation of funds</b>				
Total funds brought forward	-	(3,523)	29,801	26,278
<b>Total funds carried forward</b>	<b>-</b>	<b>1,207</b>	<b>30,043</b>	<b>31,250</b>