

Company Registration Number: 08182235 (England & Wales)

**LDBS ACADEMIES TRUST**  
(A company limited by guarantee)

**Annual report and financial statements**

**For the Year Ended 31 August 2019**

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**LDBS ACADEMIES TRUST**  
**(A company limited by guarantee)**

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**LDBS ACADEMIES TRUST**  
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**REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Members</b>	The London Diocesan Board for Schools The London Diocesan Fund Mr I Woolf
<b>Trustees</b>	Mr D Cumberland, Chair of Trustees <sup>1</sup> Mrs G Dale-Skey, Vice Chair <sup>1</sup> Dame A Hassan (resigned 10 September 2019) <sup>1</sup> Mrs K Hunter Rev G Pope <sup>1</sup> Ms E Wolverson, O.B.E <sup>1</sup> Mr I Woolf <sup>1</sup>  <sup>1</sup> members of the Audit Committee
<b>Company registered number</b>	08182235
<b>Company name</b>	LDBS Academies Trust
<b>Principal and registered office</b>	London Diocesan Board For Schools London Diocesan House 36 Causton Street London SW1P 4AU
<b>Company secretary</b>	Mr A Ahmed
<b>Senior management team</b>	Ms E Wolverson, O.B.E, Chief Executive Officer Mr P Winrow, Chief Finance Officer
<b>Independent auditors</b>	Williams Giles Professional Services Ltd Chartered Accountants 12 Conqueror Court Sittingbourne Kent ME10 5BH
<b>Bankers</b>	Lloyds Bank plc 98 Victoria Street London SW1E 5JL
<b>Solicitors</b>	Winckworth Sherwood Minerva House 5 Montague Close London SE1 9BB

**LDBS ACADEMIES TRUST**  
**(A company limited by guarantee)**

**Trustees' report**  
**For the Year Ended 31 August 2019**

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The Trustees present their Annual Report together with the financial statements and auditor's report of the LDBS Academies Trust (the 'Trust') for 1 September 2018 to 31 August 2019. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law. This report has been prepared in accordance with Part VI of the Charities Act 2006.

The Financial Statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Trust's Memorandum and Articles of Association, the Companies Act 2006, the requirements of the Statement of Recommended Practice 2015 "Accounting and Reporting by Charities", and the Annual Accounts Direction 2018/19 issued by the Education and Skills Funding Agency ('ESFA').

The Trust operates 9 primary schools across North London. The Trust's schools have a combined pupil capacity of 2230 and had a roll of 1924 in the school census on October 2018.

**Structure, governance and management**

**a. Constitution**

The Trust is a company limited by guarantee (company registration number 08182235) and an exempt charity.

The Trust's Memorandum and Articles of Association are the primary governing documents of the academy trust.

The trustees of the Trust are also the directors of the Trust for the purposes of company law. The Trust is known as the LDBS Academies Trust.

The LDBS Academies Trust trades as the:

- (1) Clerkenwell Parochial Church of England Primary School;
- (2) Holy Trinity Church of England Primary School;
- (3) Meridian Angel Primary School;
- (4) Millbrook Park Church of England Primary School;
- (5) St Andrew & St Francis Church of England Primary School;
- (6) St Ann's Church of England Primary School;
- (7) St Michael's Church of England Primary School;
- (8) St Paul's & All Hallows' Church of England Juniors School; and
- (9) St Paul's & All Hallows' Church of England Infants School & Nursery.

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.

**b. 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.

**c. Trustees' indemnities**

In accordance with normal commercial practice the Trust has purchased insurance to protect directors, governors and officers from claims arising from negligent acts, errors or omissions occurring whilst conducting the Trust's business. The Trust has joined the risk protection arrangement for academies.

**LDBS ACADEMIES TRUST**  
**(A company limited by guarantee)**

**Trustees' report (continued)**  
**For the Year Ended 31 August 2019**

**Structure, governance and management (continued)**

**d. Method of recruitment and appointment of directors**

New directors are recruited in accordance with the Articles of Association of the Trust. The term in office for all directors will not exceed four years, with the exception of the Chief Executive Officer or any other director who may also be serving in an executive capacity. Directors may be re-appointed or re-elected providing that they remain eligible.

The Trust's approach on recruiting new directors is to ensure that there is an appropriate mixture of skills and experience which is related to the work of schools but also rooted in the world outside the education sector. Directors are expected to share our passion for education and for improving the life chances of the children in the schools in the Trust.

**e. Policies adopted for the induction and training of directors and school governors**

The Trust has created guidance for the induction and training of directors and school governors. The Trust's induction process aims to:

- (a) Build an understanding of the Trust, its schools, and the communities in which it operates;
- (b) Build a link with the Trust's staff;
- (c) Develop an understanding of the role of a company director or the role of a school governor;
- (d) Develop an understanding of the educational framework in which the Trust operates.

The Trust delivers briefings at board meetings on educational developments and other matters affecting the communities in which the Trust operates. The directors of the Trust regularly visit its schools and participate in school-based activities and events to ensure that they can continue to keep abreast of changes pertinent to the Trust's work.

The Trust also procures governor support services from the Grow Education Partners Ltd under a core service level agreement. The Trust continues to provide additional training as required on an individual, or collective, basis.

**LDBS ACADEMIES TRUST**  
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**Trustees' report (continued)**  
**For the Year Ended 31 August 2019**

**Structure, governance and management (continued)**

**f. Organisational structure**

The organisational structure of the Trust is as follows:

- (1) The Board of Directors;
- (2) The Chief Executive Officer;
- (3) The Local Academy Committees;
- (4) The (Executive) Headteachers of the Trust's schools; and
- (5) The senior leadership teams of the Trust's schools.

The Board of Directors (the '**Board**') is responsible for:

- (a) Setting the strategic direction of and the expected and required standards for the Trust;
- (b) Ensuring statutory policies are in place;
- (c) Approving the annual budget for the Trust, as a whole;
- (d) Ensuring that adequate financial systems and controls are in place;
- (e) Entering into contracts with a value greater than £10,000; and
- (f) The performance management of (Executive) Headteachers.

The Chief Executive Officer (the '**CEO**') is also the Accounting Officer for the Trust. The CEO is responsible for:

- (a) Managing the daily operations of the Trust;
- (b) Ensuring the Trust's resources are used in accordance with the policies and procedures set by the Board.
- (c) Liaising with the (Executive) Headteachers and carrying out their performance management; and
- (d) Ensuring that the Board receive accurate information in a timely manner for an effective decision making process.

In accordance with the Trust's constitution, the Board has created a clear Scheme of Delegation (which is reviewed annually) and outlines the powers delegated to the Local Academy Committees ('**LACs**') and the (Executive) Headteacher. There is a system of earned autonomy, the powers delegated to each LAC can be varied depending on the effectiveness of the LAC and the school's performance.

The LAC is responsible for:

- (a) Holding the (Executive) Headteacher to account;
- (b) Monitoring the implementation of policies set by the Board;
- (c) Appointing Deputy Headteachers, subject to agreement of the Board;
- (d) Appointing other members of staff;
- (e) Working with the (Executive) Headteacher to complete the school evaluation and improvement plan ('**SEIP**');;
- (f) Monitoring the condition of the buildings and planning improvements and maintenance;
- (g) Monitoring and approving the school's annual budget; and
- (h) Monitoring, and entering into, contracts within the amounts agreed by the Scheme of Delegation.

The (Executive) Headteachers are responsible for:

- (a) The daily management of the school;
- (b) Implementing the policies and procedures set by the Board and / or the LAC;
- (c) Supporting the LAC in fulfilling their responsibilities and duties;
- (d) Preparing the SEIP and presenting it to the LAC;
- (e) Appointing staff members; and
- (f) Authorising spending on items included in the annual budget which fall within the delegated powers as per the Scheme of Delegation.

**LDBS ACADEMIES TRUST**  
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**Trustees' report (continued)**  
**For the Year Ended 31 August 2019**

**Structure, governance and management (continued)**

**g. Arrangements for setting pay and remuneration of key management personnel**

The CEO and the (Executive) Headteachers form the key management personnel of the Trust. The directors are also part of the senior management, although they do not receive a regular remuneration for their services.

The pay of the CEO is set annually by the Board following advice from the Audit Committee.

The pay of the (Executive) Headteachers is determined by the CEO after receiving advice from an external advisor having regards to performance against objectives set the previous year. The LAC Chair may be involved in this process.

**h. Trade union facility time**

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require the Trust to publish information on facility time arrangements for trade union officials at the Trust. The Trust confirms that there were no employees acting as trade union officials within the meaning of these regulations during the year ended 31 August 2019. Facility time is not provided by the Trust and therefore no employee spent time on facility time and no percentage of the pay bill was spent on facility time.

**i. Related parties and other connected charities and organisations**

The London Diocesan Board for Schools ('LDBS') is a member of the Trust, and as such, has an impact on the operating policies of the Trust.

The Trust's schools work with other schools in the London Diocese, often in close in co-operation, sharing training and best practice and partaking in diocesan wide initiatives.

Grow Education Partners Ltd is the trading subsidiary of the LDBS from which the Trust procures a number of services, including school improvement and clerking services.

**LDBS ACADEMIES TRUST**  
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**Trustees' report (continued)**  
**For the Year Ended 31 August 2019**

**Objectives and activities**

**a. Objects and aims**

The principal activity for the Trust is to establish, maintain, manage and develop Church of England schools, offering a broad and balanced curriculum, conducted in accordance with the principles, practices and tenets of the Church of England.

Moreover, in relation to arranging for religious education and daily acts of worship, the Trust's schools will have regard to any advice issued by the LDBS.

In areas where there are Trust schools, the Trust will seek to promote, where appropriate, the provision of facilities for recreation or other leisure time occupation for local residents who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social and economic circumstances, or for the public, at large, in the interests of social welfare and with the object of improving the condition of life of the local residents.

**b. Objectives, strategies and activities**

As always, the Trust's main aim is to make sure that children in its schools flourish in their learning. This is demonstrated through the continuous improvement evidenced in school data.

During the year 2018-19, at the request of the Regional Schools Commissioner, one of our schools which has an outstanding track record of achievement for working with children who are extremely disadvantaged was asked to provide support for schools in Cambridgeshire. This challenge was accepted.

In September 2018 the Trust adopted an orphan school in Enfield, and appointed two extremely able senior leaders who have worked hard and creatively to develop the school into the most improved school in Enfield during 2018-19.

In the Spring Term 2019 the Trust began a new initiative regarding school meals, supported by 'Chef's in Schools'. Children's nutrition has been a concern in many of the Trust's schools and so the Trust embarked on a major change where all meals would be cooked from scratch, using fresh ingredients, by a properly trained chef.

The Trust would not be using tins, packets or processed foods. Food is sourced locally, as far as possible, and is dependent on the season (e.g. the fish is caught in Newquay on Wednesday and transported by the fisherman to be eaten in our schools on Friday).

The resulting meals have been recognised as delicious by most of the pupils and the staff, however for some children who live on a diet of processed food the taste is a surprise. The next stage of the programme is to teach children how to cook and prepare economical and nutritious meals for themselves.

In some schools the new initiative has resulted in the amount of food waste reducing dramatically. Existing kitchen staff have been provided with the opportunity to be trained by the school chefs to ensure that they improve their own skills.

During 2018-19 the Trust introduced a new trust wide project called "The Thames Project". This involved Year 4 pupils working with professional actors and leaders over several weeks producing a cross curricular project on the River Thames. The outcomes were very exciting with some beautiful art, music and drama work depicting their learning in history, English, geography and science. Parents were invited to the final production and were impressed by what their children had learned.



**LDBS ACADEMIES TRUST**  
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**Trustees' report (continued)**  
**For the Year Ended 31 August 2019**

**Objectives and activities (continued)**

**c. Public benefit**

The Trust set up an initiative to increase the involvement with children's fathers, grandfathers and male carers involved in the education of their children. This has been very successful and while the Trust normally does not separate by gender in this way, given the issues affecting the local community where the Trust's school is placed, this initiative had particular merit.

The Trust also provides the school's premises and sports facilities after school and at weekends to the local community, where appropriate (for instance, the Trust currently has a football club, a slimmer's club and a community choir all using the facilities of its schools).

The directors adhere to the guidance released by the Charity Commission on public benefit when reviewing the Trust's objectives, aims and future activities.

**LDBS ACADEMIES TRUST**  
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**Trustees' report (continued)**  
**For the Year Ended 31 August 2019**

**Strategic report**

**Achievements and performance**

**a. Key performance indicators**

The Trust monitors attendance of its pupils closely and has a rewards scheme in place to award and encourage excellent attendance. Awards are distributed to pupils who achieve annual attendance of greater than 98%. Pupils with 100% attendance at the end of the academic year receive a Book Token.

The attendance figures of the Trust for the previous 3 academic years are:

Year	2017	2018	2019
Attendance figures across the Trust	96.2%	96.2%	95.8%

The provisional results from Early Years, Key Stage 1 and Key Stage 2 are listed below.

The results show that the Trust has exceeded national averages for performance in Early Years and Key Stage 1. The performance in Key Stage 2 was lower than the national average, however this was in particular due to three schools where specific issues had been identified. The results have been analysed in depth and strategies have been introduced to ensure the performance of the Trust's schools improves

**Early Years**

	% of Pupils achieving good level of development	
	2017-18	2018-19
Trust	79%	75%
National Average	71%	72%

**Key Stage 1**

	% of pupils reaching Expected Standards							
	Reading		Writing		Mathematics		Phonics	
	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19
Trust	73%	82%	69%	75%	80%	78%	85%	83%
National Average	75%	75%	70%	69%	76%	76%	83%	83%

**Key Stage 2**

	% of pupils reaching Expected Standards					
	Reading		Writing		Mathematics	
	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19
Trust	74%	60%	80%	73%	78%	67%
National Average	75%	73%	78%	79%	76%	78%

**LDBS ACADEMIES TRUST**  
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**Trustees' report (continued)**  
**For the Year Ended 31 August 2019**

**Strategic report (continued)**

**Achievements and performance (continued)**

**b. Going concern**

After making appropriate enquiries, the Board has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future.

For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

**Financial review**

**a. Reserves policy**

The Trust aims to build up unrestricted reserves to the value of one month's operational costs, with the view to becoming three months' operational costs so as to be able to respond to unforeseen items of expenditure which may arise from time to time.

As of 31 August 2019, the unrestricted reserves were of £1,866,006, which is equivalent to 1.6 month's operational costs.

The Trust's restricted funds as of 31 August 2019 were of £1,041,343.

The Trust's balance on restricted general funds (excluding pension reserves) plus the balance on unrestricted funds at 31 August 2019 is £2,907,349.

**b. Principal risks and uncertainties**

The Trust has an up to date Risk Register which assesses all the major risks to which the Trust and its schools are exposed to, in particular those relating to governance, reputation, operation, finance, compliance, school development and safeguarding. The Trust's Audit Committee and the Board regularly review the Risk Register.

The Trust has a programme of works with its auditors to ensure that all areas of its operations are reviewed to ensure compliance and effectiveness of procedures and protocols. The Trust also obtains the services of an independent Quality Assurance Officer who reviews the teaching practices and SEIPs to ensure that the Trust's schools continue to function effectively and provide a high quality of education in line with its vision and ethos.

The primary financial risk faced by the Trust is that of on-going pressure on funding and several of the Trust's schools setting a budget with an in-year deficit. The budgeting and reporting process, including regular scrutiny by LACs, the Board and the Trust's auditors mitigates the risk. Overall, the Trust retains sufficient reserves to further mitigate the risks.

The Trust is also extremely mindful of the impact on its overall funding from falling pupil numbers across London. The Trust continues to work closely with local authorities and reviews its own staffing and management structure on a regular basis to mitigate the risks.

**Fundraising**

The Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the directors.

**LDBS ACADEMIES TRUST**  
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**Trustees' report (continued)**  
**For the Year Ended 31 August 2019**

**Plans for future periods**

The Trust is currently focused on ensuring that its schools continue to improve and develop into good and outstanding schools in their local communities. The Trust currently does not have any specific plans to increase its number of schools. However, the Trust will always be willing to support failing Church of England schools as appropriate and on the advice of the Department for Education and the Regional Schools Commissioner.

**Disclosure of information to auditors**

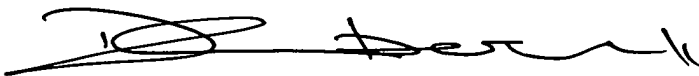
Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that 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 auditors are aware of that information.

**Auditors**

The auditors, Williams Giles Professional Services Ltd, have indicated their willingness to continue in office. The directors will propose a motion re-appointing the auditors at 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 23 December 2019 and signed on its behalf by:



**Mr D Cumberland**  
Chair of Trustees



**Ms E Wolverson**  
Accounting Officer

**LDBS ACADEMIES TRUST**  
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**Governance Statement**

**Scope of responsibility**

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

The Board has delegated the day-to-day responsibility to the CEO, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the Trust and the Secretary of State for Education. The CEO is also responsible for reporting to the Board any material weaknesses or breakdowns in internal control.

**LDBS ACADEMIES TRUST**  
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**Governance Statement (continued)**

**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 10 times during the year.

Attendance during the year at meetings of the board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr D Cumberland, Chair of Trustees	10	10
Mrs G Dale-Skey, Vice Chair	8	10
Dame A Hassan	7	10
Mrs K Hunter	7	10
Rev G Pope	9	10
Ms E Wolverson, O.B.E	10	10
Mr I Woolf	7	10

The Trust commissioned an external review in the year 2018-19 this was completed in January 2019. The review did not identify any major issues. The Trust's senior leaders have developed a new strategic plan incorporating the recommendations of the review.

The Board meets at least 10 times per year and all directors receive a monthly update on the Trust's finances.

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

- (1) Review the Trust's financial protocols.
- (2) Ensure that all internal and external financial statements and reports comply with best practices.
- (3) Receive the auditors' report.
- (4) Develop and review the Trust's long term auditing programme.
- (5) Ensure appropriate procedures are in place for whistleblowing.
- (6) Develop, monitor and review the risk register.
- (7) Recommend to the Board the appointment or reappointment of auditors.
- (8) Ensure that the Trust's internal audit service meets, or exceeds, the standards specified by the Government.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr D Cumberland	3	3
Mrs G Dale-Skey	2	3
Dame A Hassan	2	3
Rev G Pope	3	3
Ms E Wolverson	3	3
Mr I Woolf	2	3

**LDBS ACADEMIES TRUST**  
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**Governance Statement (continued)**

**Review of value for money**

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

The CEO 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 where value for money can be improved, including the use of benchmarking data where appropriate. The CEO for the Trust has delivered improved value for money during the year by looking at the staffing levels in each of the Trust's schools and benchmarking data to ensure that they are adequate and, where appropriate, undertake restructuring exercises. The Trust recognises that all restructuring processes have their own associated costs and that savings cannot be demonstrated till the following financial year.

The Trust's schools have access to first aid training, which is provided under a Trust-wide agreement with St John's Ambulance and provides the Trust with significant savings. This has ensured that the Trust is already prepared for the curriculum requirement being introduced in 2020-21 which would require all schools to use first aid equipment and access first aid training.

**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 Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Trust for the period 1 September 2012 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

The Board has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board 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 period 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board.

**LDBS ACADEMIES TRUST**  
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**Governance Statement (continued)**

**The risk and control framework**

The Academy'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 decided to appoint Williams Giles Professional Services Ltd as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems.

On a termly basis, the internal auditor reports to the board of Trustees through the audit committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

**Review of effectiveness**

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

- the work of the internal auditor;
- the work of the external auditors;
- The work of the Chief Financial Officer, the Trust's Central Team, and the (Executive) School Business Managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

The CEO has been advised of the implications of the result of their review of the system of internal control by the Board and a plan to ensure continuous improvements of the system is in place.

Approved by order of the members of the board of Trustees on 23 December 2019 and signed on their behalf by:



**Mr D Cumberland**  
Chair of Trustees



**Ms E Wolverson, O.B.E.**  
Accounting Officer



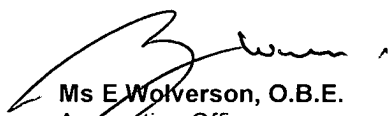
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**Statement on Regularity, Propriety and Compliance**

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

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

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

  
**Ms E. Wolverson, O.B.E.**  
Accounting Officer  
Date: 23 December 2019

**LDBS ACADEMIES TRUST**  
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**Statement of Trustees' responsibilities**  
**For the Year Ended 31 August 2019**

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

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

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

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

Approved by order of the members of the board of Trustees on 23 December 2019 and signed on its behalf by:



**Mr D Cumberland**  
Chair of Trustees

**LDBS ACADEMIES TRUST**  
**(A company limited by guarantee)**

**Independent auditors' Report on the financial statements to the Members of LDBS Academies Trust**

**Opinion**

We have audited the financial statements of LDBS Academies Trust (the 'academy') for the year ended 31 August 2019 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

**LDBS ACADEMIES TRUST**  
**(A company limited by guarantee)**

**Independent auditors' Report on the financial statements to the Members of LDBS Academies Trust**  
**(continued)**

**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

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

In the light of our knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

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

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

**LDBS ACADEMIES TRUST**  
**(A company limited by guarantee)**

**Independent auditors' Report on the financial statements to the Members of LDBS Academies Trust**  
**(continued)**

**Responsibilities of trustees**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the Academy 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'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 or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

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

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

**Use of our report**

This report is made solely to the Academy'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's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Alastair Crawford FCA (Senior statutory auditor)**

for and on behalf of

**Williams Giles Professional Services Ltd**

Chartered Accountants  
Statutory Auditor

12 Conqueror Court

Sittingbourne

Kent

ME10 5BH

23 December 2019

**LDBS ACADEMIES TRUST**  
**(A company limited by guarantee)**

**Independent Reporting Accountant's Assurance Report on Regularity to LDBS Academies Trust and the Education & Skills Funding Agency**

In accordance with the terms of our engagement letter dated 3 June 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by LDBS Academies Trust during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of LDBS Academies Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of LDBS Academies Trust's funding agreement with the Secretary of State for Education dated 31 December 2012 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by 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's income and expenditure.

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material misstatement and irregularity
- Testing and review of areas identified through risk assessment including enquiry, inspection and review, observation and re-performance
- Review of system controls, policies and procedures in place to ensure compliance with the regularity regime
- Consideration of evidence obtained through the work performed as part of our audit in order to support the regularity conclusion

**LDBS ACADEMIES TRUST**  
**(A company limited by guarantee)**

**Independent Reporting Accountant's Assurance Report on Regularity to LDBS Academies Trust and the  
Education & Skills Funding Agency (continued)**

**Conclusion**

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



**Alastair Crawford FCA**

**Williams Giles Professional Services Ltd**

Date: 23 December 2019

**LDBS ACADEMIES TRUST**  
(A company limited by guarantee)

**Statement of financial activities (incorporating income and expenditure account)**  
**For the Year Ended 31 August 2019**

		Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
	Note					
<b>Income from:</b>						
Donations and capital grants	4	22,954	269,842	7,412,639	7,705,435	(214,243)
Charitable activities		-	13,055,967	-	13,055,967	11,405,510
Other trading activities		433,079	579,021	-	1,012,100	755,717
Investments	7	8,569	-	-	8,569	3,251
Other income	8	-	9,228	-	9,228	9,198
<b>Total income</b>		<b>464,602</b>	<b>13,914,058</b>	<b>7,412,639</b>	<b>21,791,299</b>	<b>11,959,433</b>
<b>Expenditure on:</b>						
Raising funds		4,113	-	-	4,113	5,143
Charitable activities		-	13,651,975	1,727,984	15,379,959	13,200,151
<b>Total expenditure</b>		<b>4,113</b>	<b>13,651,975</b>	<b>1,727,984</b>	<b>15,384,072</b>	<b>13,205,294</b>
<b>Net income</b>		<b>460,489</b>	<b>262,083</b>	<b>5,684,655</b>	<b>6,407,227</b>	<b>(1,245,861)</b>
Transfers between funds	19	-	(1,035,325)	1,035,325	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>460,489</b>	<b>(773,242)</b>	<b>6,719,980</b>	<b>6,407,227</b>	<b>(1,245,861)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial losses on defined benefit pension schemes	24	-	(1,594,000)	-	(1,594,000)	852,000
<b>Net movement in funds</b>		<b>460,489</b>	<b>(2,367,242)</b>	<b>6,719,980</b>	<b>4,813,227</b>	<b>(393,861)</b>



**LDBS ACADEMIES TRUST**  
(A company limited by guarantee)

**Statement of financial activities (incorporating income and expenditure account) (continued)**  
**For the Year Ended 31 August 2019**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Note					
<b>Reconciliation of funds:</b>					
Total funds brought forward	1,405,517	(1,250,415)	12,453,401	12,608,503	13,002,364
Net movement in funds	460,489	(2,367,242)	6,719,980	4,813,227	(393,861)
<b>Total funds carried forward</b>	<u><u>1,866,006</u></u>	<u><u>(3,617,657)</u></u>	<u><u>19,173,381</u></u>	<u><u>17,421,730</u></u>	<u><u>12,608,503</u></u>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 27 to 54 form part of these financial statements.

**LDBS ACADEMIES TRUST**  
**(A company limited by guarantee)**  
**Registered number: 08182235**

**Balance sheet**  
**As at 31 August 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	15	19,173,381	12,753,387
		<u>19,173,381</u>	<u>12,753,387</u>
<b>Current assets</b>			
Stocks	16	21,405	14,970
Debtors	17	778,832	619,372
Cash at bank and in hand		3,888,439	3,520,727
		<u>4,688,676</u>	<u>4,155,069</u>
Creditors: amounts falling due within one year	18	(1,781,327)	(1,764,953)
<b>Net current assets</b>		<u>2,907,349</u>	<u>2,390,116</u>
<b>Total assets less current liabilities</b>		<u>22,080,730</u>	<u>15,143,503</u>
<b>Net assets excluding pension liability</b>		<u>22,080,730</u>	<u>15,143,503</u>
Defined benefit pension scheme liability	24	(4,659,000)	(2,535,000)
<b>Total net assets</b>		<u><u>17,421,730</u></u>	<u><u>12,608,503</u></u>

**LDBS ACADEMIES TRUST**  
(A company limited by guarantee)


**Balance sheet (continued)**  
**As at 31 August 2019**

	Note	2019 £	2018 £
<b>Funds of the Academy</b>			
<b>Restricted funds:</b>			
Fixed asset funds	19	19,173,381	12,453,401
Restricted income funds	19	1,041,343	1,284,585
Restricted funds excluding pension asset	19	20,214,724	13,737,986
Pension reserve	19	(4,659,000)	(2,535,000)
<b>Total restricted funds</b>	19	15,555,724	11,202,986
<b>Unrestricted income funds</b>	19	1,866,006	1,405,517
<b>Total funds</b>		17,421,730	12,608,503

The financial statements on pages 22 to 54 were approved by the Trustees, and authorised for issue on 23 December 2019 and are signed on their behalf, by:



**Mr D Cumberland**  
Chair of Trustees



**Ms E Wolverson**  
Accounting Officer

The notes on pages 27 to 54 form part of these financial statements.

**LDBS ACADEMIES TRUST**  
(A company limited by guarantee)

**Statement of cash flows**  
**For the Year Ended 31 August 2019**

	Note	2019 £	2018 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	21	1,094,484	469,913
<b>Cash flows from investing activities</b>	22	(726,772)	(296,915)
<b>Change in cash and cash equivalents in the year</b>		<b>367,712</b>	<b>172,998</b>
Cash and cash equivalents at the beginning of the year		<b>3,520,727</b>	3,347,729
<b>Cash and cash equivalents at the end of the year</b>	23	<u><b>3,888,439</b></u>	<u><b>3,520,727</b></u>

The notes on pages 27 to 54 form part of these financial statements

**LDBS ACADEMIES TRUST**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the Year Ended 31 August 2019**

**1. General information**

LDBS Academies Trust is a charitable company limited by guarantee and an exempt charity incorporated in England and Wales. The registered office is London Diocesan Board For Schools, London Diocesan House, 36 Causton Street, London, SW1P 4AU. The principal activity of the academy trust is to provide a primary education for pupils that satisfies the requirements of the Education Act 2002.

**2. Accounting policies**

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

**2.1 Basis of preparation of financial statements**

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

LDBS Academies Trust meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared in sterling and rounded to the nearest pound.

**2.2 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 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 has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**LDBS ACADEMIES TRUST**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the Year Ended 31 August 2019**

**2. Accounting policies (continued)**

**2.3 Income**

All incoming resources are recognised when the Academy 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 year is deducted from income and recognised as a liability.

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

- **Sponsorship income**

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

- **Donations**

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

- **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the Academy 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 'Stocks' and 'Income from Other Trading Activities'. Upon sale, the value of the stock is charged against 'Income from Other Trading Activities' and the proceeds are recognised as 'Income from Other Trading Activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from Other Trading Activities'.

- **Transfer of existing academies into the Academy**

Where assets and liabilities are received on the transfer of an existing academy into the Academy, the transferred assets are measured at fair value and recognised in the Balance sheet at the point when the risks and rewards of ownership pass to the Academy. An equal amount of income is recognised for the transfer of an existing academy into the Academy within 'Income from Donations and Capital Grants' to the net assets acquired.

**LDBS ACADEMIES TRUST**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the Year Ended 31 August 2019**

**2. Accounting policies (continued)**

**2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**2.5 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**2.6 Taxation**

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

Accordingly, the Academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

**LDBS ACADEMIES TRUST**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the Year Ended 31 August 2019**

**2. Accounting policies (continued)**

**2.7 Tangible fixed assets**

Assets costing £2,000 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.

With the exception of Millbrook Park the Academy's buildings are owned by various trustee bodies and made available to the schools under supplemental agreements. The Directors have decided to regard these agreements as short rather than long term and thus have allocated a zero value to these buildings in the accounts. The Academy Trust is not charged for the use of this land. Due to the restricted use of these assets for educational purposes it is not possible to determine a fair value for the services provided and no amounts have been recorded as income in the SOFA in respect of the use of these assets. Millbrook Park is on a 125 year lease from Barnet Council and the cost has been provided by Barnet Council.

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

Depreciation is provided on the following basis:

Leasehold property	-	2% Straight line
Improvements to leasehold property	-	10% Straight line
Furniture and equipment	-	20% Straight line
Computer equipment	-	20% Straight line
Other fixed assets	-	

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.

**2.8 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**2.9 Debtors**

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



**LDBS ACADEMIES TRUST**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the Year Ended 31 August 2019**

**2. Accounting policies (continued)**

**2.10 Cash at bank and in hand**

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

**2.11 Liabilities**

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

**2.12 Financial instruments**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

**2.13 Operating leases**

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

**LDBS ACADEMIES TRUST**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the Year Ended 31 August 2019**

**2. Accounting policies (continued)**

**2.14 Pensions**

Retirement benefits to employees of the Academy 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 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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is 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 multi-employer scheme and the assets are held separately from those of the Academy 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.

The Academy is a member of a multi-employer plan. Where it is not possible for the Academy to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

**2.15 Fund accounting**

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.

**LDBS ACADEMIES TRUST**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the Year Ended 31 August 2019**

**3. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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**For the Year Ended 31 August 2019**

**4. Income from donations and capital grants**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
<b>Donations</b>				
Income on conversion	19,313	269,842	7,001,248	<b>7,290,403</b>
<b>Subtotal detailed disclosure</b>	<b>19,313</b>	<b>269,842</b>	<b>7,001,248</b>	<b>7,290,403</b>
Donations	3,641	-	-	<b>3,641</b>
Capital Grants	-	-	411,391	<b>411,391</b>
<b>Subtotal</b>	<b>3,641</b>	<b>-</b>	<b>411,391</b>	<b>415,032</b>
	<b>22,954</b>	<b>269,842</b>	<b>7,412,639</b>	<b>7,705,435</b>

	Unrestricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Donations	16,344	-	16,344
Capital Grants	-	527,643	527,643
	<b>16,344</b>	<b>527,643</b>	<b>543,987</b>

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**Notes to the financial statements**  
**For the Year Ended 31 August 2019**

**5. Funding for the Academy's educational operations**

	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<i>Total funds 2018 £</i>
<b>DfE/ESFA grants</b>			
General Annual Grant (GAG)	10,363,823	<b>10,363,823</b>	9,140,948
Other DfE/EFA grants	591,703	<b>591,703</b>	308,093
Universal Infant FSM	278,705	<b>278,705</b>	231,213
Pupil Premium	850,059	<b>850,059</b>	733,158
	<hr/> 12,084,290	<hr/> <b>12,084,290</b>	<hr/> 10,413,412
<b>Other government grants</b>			
Early Years Funding	570,573	<b>570,573</b>	586,467
SEN Funding	340,723	<b>340,723</b>	283,805
Other grants	8,710	<b>8,710</b>	11,497
Greig Trust Grant	51,671	<b>51,671</b>	110,329
	<hr/> 13,055,967	<hr/> <b>13,055,967</b>	<hr/> 11,405,510

**6. Income from other trading activities**

	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>
Catering	-	210,279	<b>210,279</b>
Letting	148,834	-	<b>148,834</b>
Nursery	71,249	285,279	<b>356,528</b>
Other income	154,797	-	<b>154,797</b>
Trips & Clubs	-	83,463	<b>83,463</b>
Professional Services	55,729	-	<b>55,729</b>
Fundraising	2,470	-	<b>2,470</b>
	<hr/> 433,079	<hr/> 579,021	<hr/> <b>1,012,100</b>

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	<i>Unrestricted funds 2018 £</i>	<i>Restricted funds 2018 £</i>	<i>Total funds 2018 £</i>
Catering	-	183,287	183,287
Letting	107,991	-	107,991
Nursery	48,372	167,115	215,487
Other income	119,336	-	119,336
Trips & Clubs	-	74,692	74,692
Professional Services	49,852	-	49,852
Fundraising	5,072	-	5,072
	<u>330,623</u>	<u>425,094</u>	<u>755,717</u>

**7. Investment income**

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<i>Total funds 2018 £</i>
Bank interest	8,569	8,569	3,251

**8. Other incoming resources**

	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<i>Total funds 2018 £</i>
Insurance	9,228	9,228	9,198

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**Notes to the financial statements**  
**For the Year Ended 31 August 2019**

**9. Expenditure**

	<b>Staff Costs 2019 £</b>	<b>Premises 2019 £</b>	<b>Other 2019 £</b>	<b>Total 2019 £</b>
Expenditure on raising voluntary income:				
Direct costs	-	-	4,113	<b>4,113</b>
Educational operations:				
Direct costs	6,682,060	-	1,560,682	<b>8,242,742</b>
Allocated support costs	3,619,533	1,103,634	2,414,050	<b>7,137,217</b>
	<u>10,301,593</u>	<u>1,103,634</u>	<u>3,978,845</u>	<u><b>15,384,072</b></u>
	<b>Staff Costs 2018 £</b>	<b>Premises 2018 £</b>	<b>Other 2018 £</b>	<b>Total 2018 £</b>
Expenditure on raising voluntary income:				
Direct costs	-	-	5,143	<b>5,143</b>
Educational operations:				
Direct costs	7,135,867	-	548,184	<b>7,684,051</b>
Allocated support costs	1,912,978	711,250	2,891,872	<b>5,516,100</b>
	<u>9,048,845</u>	<u>711,250</u>	<u>3,445,199</u>	<u><b>13,205,294</b></u>

**10. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2019 £</b>	<b>Support costs 2019 £</b>	<b>Total funds 2019 £</b>
Educational operations	<u>8,242,742</u>	<u>7,137,217</u>	<u><b>15,379,959</b></u>

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**Notes to the financial statements**  
**For the Year Ended 31 August 2019**

**10. Analysis of expenditure by activities (continued)**

	<i>Activities undertaken directly 2018 £</i>	<i>Support costs 2018 £</i>	<i>Total funds 2018 £</i>
Educational operations	<u>7,684,051</u>	<u>5,516,100</u>	<u>13,200,151</u>

**Analysis of direct costs**

	<b>Educational operations 2019 £</b>	<b>Total funds 2019 £</b>	<i>Total funds 2018 £</i>
Staff costs	6,682,060	<b>6,682,060</b>	6,643,283
Educational supplies	229,035	<b>229,035</b>	193,123
Staff development	289,370	<b>289,370</b>	254,623
Other direct costs	10,786	<b>10,786</b>	25,884
Agency supply	924,002	<b>924,002</b>	492,584
Trips and clubs	107,489	<b>107,489</b>	74,554
	<u>8,242,742</u>	<u><b>8,242,742</b></u>	<u>7,684,051</u>



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**10. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Educational operations 2019 £</b>	<b>Total funds 2019 £</b>	<i>Total funds 2018 £</i>
LGPS costs	75,000	<b>75,000</b>	74,000
Staff costs	2,695,531	<b>2,695,531</b>	1,609,998
Depreciation	1,727,984	<b>1,727,984</b>	816,151
Recruitment and support	60,034	<b>60,034</b>	48,517
Maintenance of premises and equipment	94,328	<b>94,328</b>	262,392
Cleaning	192,165	<b>192,165</b>	176,387
Rent & rates	147,908	<b>147,908</b>	34,709
Light & heat	153,626	<b>153,626</b>	118,210
Insurance	102,699	<b>102,699</b>	86,186
Security & transport	21,384	<b>21,384</b>	15,626
Catering	563,248	<b>563,248</b>	604,719
Computer costs	215,285	<b>215,285</b>	182,780
Printing, postage and stationery	58,436	<b>58,436</b>	52,117
Legal & professional	311,317	<b>311,317</b>	364,638
Other support costs	(9,015)	<b>(9,015)</b>	610,360
Agency costs	531,356	<b>531,356</b>	302,980
Governance costs	195,931	<b>195,931</b>	156,330
	<u>7,137,217</u>	<u><b>7,137,217</b></u>	<u>5,516,100</u>

**11. Net income**

Net income for the year includes:

	<b>2019 £</b>	<i>2018 £</i>
Depreciation of tangible fixed assets	<b>1,743,514</b>	816,151
Fees paid to auditors for:		
- audit	<b>21,500</b>	20,000
- other services	<b>27,050</b>	25,115

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**Notes to the financial statements**  
**For the Year Ended 31 August 2019**

**12. Staff costs**

**a. Staff costs**

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	7,147,151	6,287,468
Social security costs	679,396	618,109
Pension costs	1,551,044	1,347,704
	<u>9,377,591</u>	<u>8,253,281</u>
Agency staff costs	924,002	795,564
	<u>10,301,593</u>	<u>9,048,845</u>

Staff restructuring costs comprise:

**b. Staff numbers**

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

	2019 No.	2018 No.
Teachers	106	98
Support staff	86	69
Premises	16	12
Admin	25	14
Other staff	54	8
	<u>287</u>	<u>201</u>

**c. Higher paid staff**

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



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**Notes to the financial statements**  
**For the Year Ended 31 August 2019**

**15. Tangible fixed assets**

	Long-term leasehold property £	Assets under construction £	Furniture and equipment £	Computer equipment £	Total £
<b>Cost or valuation</b>					
At 1 September 2018	13,390,810	45,914	1,423,289	642,326	15,502,339
Additions	163,213	-	880,518	103,001	1,146,732
On acquisition of subsidiaries	6,743,280	-	102,760	155,208	7,001,248
Transfers between classes	19,789	(19,789)	-	-	-
At 31 August 2019	20,317,092	26,125	2,406,567	900,535	23,650,319
<b>Depreciation</b>					
At 1 September 2018	1,401,530	-	885,767	461,655	2,748,952
Charge for the year	1,103,634	-	467,397	156,955	1,727,986
At 31 August 2019	2,505,164	-	1,353,164	618,610	4,476,938
<b>Net book value</b>					
At 31 August 2019	17,811,928	26,125	1,053,403	281,925	19,173,381
At 31 August 2018	11,989,280	45,914	537,522	180,671	12,753,387

Improvements relate to property on church land occupied under the two year supplemental agreement.

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**Notes to the financial statements**  
**For the Year Ended 31 August 2019**

**16. Stocks**

	2019 £	2018 £
Uniform	21,405	14,970

**17. Debtors**

	2019 £	2018 £
<b>Due within one year</b>		
Trade debtors	259,974	71,882
Other debtors	9,021	7,803
Prepayments and accrued income	368,411	426,271
VAT recoverable	141,426	113,416
	<u>778,832</u>	<u>619,372</u>

**18. Creditors: Amounts falling due within one year**

	2019 £	2018 £
Trade creditors	413,241	140,797
Payroll creditor	1,089,683	1,096,598
Other creditors	2,164	154,248
Accruals and deferred income	276,239	373,310
	<u>1,781,327</u>	<u>1,764,953</u>

	2019 £	2018 £
Deferred income at 1 September 2018	162,576	149,004
Resources deferred during the year	175,000	162,576
Amounts released from previous periods	(162,576)	(149,004)
	<u>175,000</u>	<u>162,576</u>

At the balance sheet date the academy trust was holding funds received in advance for Universal Infant Free School Meals, deposits from parents and early years funding.

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**Notes to the financial statements**  
**For the Year Ended 31 August 2019**

**19. Statement of funds**

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>Unrestricted funds</b>						
Unrestricted funds	1,405,517	464,602	(4,113)	-	-	1,866,006
<b>Restricted general funds</b>						
General Annual Grant (GAG)	1,284,585	10,363,823	(9,571,740)	(1,035,325)	-	1,041,343
Pupil Premium	-	850,059	(850,059)	-	-	-
Other DfE/ESFA grants	-	591,703	(591,703)	-	-	-
Universal Infant Free School meals	-	278,705	(278,705)	-	-	-
Early years funding	-	570,573	(570,573)	-	-	-
SEN funding	-	340,723	(340,723)	-	-	-
Government grants	-	8,710	(8,710)	-	-	-
Greig Trust grants	-	51,671	(51,671)	-	-	-
Other restricted income	-	579,021	(579,021)	-	-	-
Income on conversion	-	314,843	(314,843)	-	-	-
Insurance	-	9,227	(9,227)	-	-	-
Pension reserve	(2,535,000)	(45,000)	(485,000)	-	(1,594,000)	(4,659,000)
	<u>(1,250,415)</u>	<u>13,914,058</u>	<u>(13,651,975)</u>	<u>(1,035,325)</u>	<u>(1,594,000)</u>	<u>(3,617,657)</u>
<b>Restricted fixed asset funds</b>						
Assets held for depreciation	12,453,401	7,001,248	(1,727,984)	1,446,716	-	19,173,381
Devolved formula capital	-	411,391	-	(411,391)	-	-
	<u>12,453,401</u>	<u>7,412,639</u>	<u>(1,727,984)</u>	<u>1,035,325</u>	<u>-</u>	<u>19,173,381</u>
<b>Total Restricted funds</b>	<u>11,202,986</u>	<u>21,326,697</u>	<u>(15,379,959)</u>	<u>-</u>	<u>(1,594,000)</u>	<u>15,555,724</u>

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**Notes to the financial statements**  
**For the Year Ended 31 August 2019**

**19. Statement of funds (continued)**

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>Total funds</b>	<b>12,608,503</b>	<b>21,791,299</b>	<b>(15,384,072)</b>	<b>-</b>	<b>(1,594,000)</b>	<b>17,421,730</b>

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

Unrestricted funds are applied to the general work of the academy to support activities inside and outside the curriculum.

Restricted funds are applied specifically in accordance with the rules of each grant and support the education provision delivered by the academy.

Restricted fixed asset funds are applied to the maintenance and improvement of all the academy's fixed assets.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2019.

**Total funds analysis by academy**

Fund balances at 31 August 2019 were allocated as follows:

	2019 £	2018 £
St Ann's	75,647	168,595
St Michael's	132,168	273,663
St Paul's Infants	62,995	211,127
St Paul's Juniors	1,193,654	998,366
Holy Trinity	19,777	212,517
Millbrook Park	290,808	161,021
St Andrew and St Francis	400,692	237,241
Clerkenwell Parochial	(13,217)	8,268
Merdian Angels	357,980	-
Central services	386,845	419,304
<b>Total before fixed asset funds and pension reserve</b>	<b>2,907,349</b>	<b>2,690,102</b>
<b>Restricted fixed asset fund</b>	<b>19,173,381</b>	<b>12,453,401</b>
<b>Pension reserve</b>	<b>(4,659,000)</b>	<b>(2,535,000)</b>
<b>Total</b>	<b>17,421,730</b>	<b>12,608,503</b>

**Total cost analysis by academy**

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**Notes to the financial statements**  
**For the Year Ended 31 August 2019**

**19. Statement of funds (continued)**

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

	Teaching and educational support staff costs £	Other support staff costs £	Other costs excluding depreciation £	Total 2019 £
St Ann's	631,303	210,151	314,923	<b>1,156,377</b>
St Michael's	439,611	186,767	285,727	<b>912,105</b>
St Paul's Infants	751,542	219,350	179,540	<b>1,150,432</b>
St Paul's Juniors	776,058	153,286	246,456	<b>1,175,800</b>
Holy Trinity	697,004	620,630	625,905	<b>1,943,539</b>
Millbrook Park	892,403	271,073	672,036	<b>1,835,512</b>
St Andrew and St Francis	1,333,119	257,555	675,363	<b>2,266,037</b>
Clerkenwell Parochial	472,424	309,454	568,118	<b>1,349,996</b>
Merdian Angels	688,596	189,656	321,436	<b>1,199,688</b>
Central services	-	277,609	388,993	<b>666,602</b>
<b>Academy</b>	<b>6,682,060</b>	<b>2,695,531</b>	<b>4,278,497</b>	<b>13,656,088</b>



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**19. Statement of funds (continued)**

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

	<i>Balance at 1 September 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2018 £</i>
<b>Unrestricted funds</b>					
Unrestricted funds	1,280,002	380,988	(255,473)	-	1,405,517
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Restricted general funds</b>					
General Annual Grant (GAG)	1,179,453	9,140,948	(9,035,816)	-	1,284,585
Pupil Premium	-	733,158	(733,158)	-	-
Other DfE/ESFA grants	-	308,093	(308,093)	-	-
Universal Infant Free School meals	-	231,213	(231,213)	-	-
Early years funding	-	586,467	(586,467)	-	-
SEN funding	-	283,805	(283,805)	-	-
Government grants	-	11,497	(11,497)	-	-
Greig Trust grants	-	110,329	(110,329)	-	-
Other restricted income	-	434,292	(434,292)	-	-
Pension reserve	(2,199,000)	(789,000)	(399,000)	852,000	(2,535,000)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	(1,019,547)	11,050,802	(12,133,670)	852,000	(1,250,415)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Restricted fixed asset funds</b>					
Assets held for depreciation	12,741,909	-	(288,508)	-	12,453,401
Devolved formula capital	-	527,643	(527,643)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	12,741,909	527,643	(816,151)	-	12,453,401
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Restricted funds</b>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	11,722,362	11,578,445	(12,949,821)	852,000	11,202,986
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total funds</b>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	13,002,364	11,959,433	(13,205,294)	852,000	12,608,503
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

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**Notes to the financial statements**  
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**20. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Restricted fixed asset funds 2019 £</b>	<b>Total funds 2019 £</b>
Tangible fixed assets	-	-	19,173,381	<b>19,173,381</b>
Current assets	1,866,006	2,822,670	-	<b>4,688,676</b>
Creditors due within one year	-	(1,781,327)	-	<b>(1,781,327)</b>
Provisions for liabilities and charges	-	(4,659,000)	-	<b>(4,659,000)</b>
<b>Total</b>	<b>1,866,006</b>	<b>(3,617,657)</b>	<b>19,173,381</b>	<b>17,421,730</b>

**Analysis of net assets between funds - prior year**

	<b>Unrestricted funds 2018 £</b>	<b>Restricted funds 2018 £</b>	<b>Restricted fixed asset funds 2018 £</b>	<b>Total funds 2018 £</b>
Tangible fixed assets	-	-	12,753,387	<b>12,753,387</b>
Current assets	1,405,517	3,049,538	(299,986)	<b>4,155,069</b>
Creditors due within one year	-	(1,764,953)	-	<b>(1,764,953)</b>
Provisions for liabilities and charges	-	(2,535,000)	-	<b>(2,535,000)</b>
<b>Total</b>	<b>1,405,517</b>	<b>(1,250,415)</b>	<b>12,453,401</b>	<b>12,608,503</b>

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**Notes to the financial statements**  
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**21. Reconciliation of net income/(expenditure) to net cash flow from operating activities**

	2019 £	2018 £
Net income/(expenditure) for the year (as per Statement of financial activities)	6,407,227	(1,245,861)
<b>Adjustments for:</b>		
Depreciation	1,727,986	816,151
Capital grants from DfE and other capital income	(411,391)	(527,463)
Interest receivable	(8,569)	(3,251)
Defined benefit pension scheme finance cost	-	399,000
Increase in stocks	(6,434)	(4,651)
(Increase)/decrease in debtors	(159,460)	40,163
Increase in creditors	16,373	206,825
Defined benefit pension scheme obligation inherited	530,000	789,000
Assets on conversion	(7,001,248)	-
<b>Net cash provided by operating activities</b>	<b>1,094,484</b>	<b>469,913</b>

**22. Cash flows from investing activities**

	2019 £	2018 £
Dividends, interest and rents from investments	8,569	3,251
Purchase of tangible fixed assets	(1,146,732)	(827,629)
Capital grants from DfE Group	411,391	527,463
<b>Net cash used in investing activities</b>	<b>(726,772)</b>	<b>(296,915)</b>

**23. Analysis of cash and cash equivalents**

	2019 £	2018 £
Cash in hand	3,888,439	3,520,727
<b>Total cash and cash equivalents</b>	<b>3,888,439</b>	<b>3,520,727</b>

**24. Pension commitments**

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**Notes to the financial statements**  
**For the Year Ended 31 August 2019**

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

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

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

**Teachers' Pension Scheme**

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

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

**Valuation of the Teachers' Pension Scheme**

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

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

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

The employer's pension costs paid to TPS in the year amounted to £573,485 (2018 - £871,757).

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 has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy has set out above the information available on the scheme.

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**Notes to the financial statements**  
**For the Year Ended 31 August 2019**

**24. Pension commitments (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 2019 was £605,000 (2018 - £541,000), of which employer's contributions totalled £476,000 (2018 - £388,000) and employees' contributions totalled £ 129,000 (2018 - £153,000). The agreed contribution rates for future years are 23.1 per cent for employers and variable per cent for employees.

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

**Principal actuarial assumptions**

	2019 %	2018 %
Rate of increase in salaries	3	3
Rate of increase for pensions in payment/inflation	2.3	2.3
Discount rate for scheme liabilities	1.9	2.8

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

	2019 Years	2018 Years
<i>Retiring today</i>		
Males	21.5	22
Females	23.9	24.4
<i>Retiring in 20 years</i>		
Males	22.9	24
Females	25.3	26.4

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

	At 31 August 2019 £	At 31 August 2018 £
Equities	4,092,695	3,394,509
Corporate bonds	1,476,680	1,102,314
Property	464,645	365,721
Cash and other liquid assets	146,395	221,493
Other	184,585	66,963
<b>Total market value of assets</b>	<b>6,365,000</b>	<b>5,151,000</b>

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**Notes to the financial statements**  
**For the Year Ended 31 August 2019**

**24. Pension commitments (continued)**

The actual return on scheme assets was £422,000 (2018 - £286,000).

The amounts recognised in the Statement of financial activities are as follows:

	2019 £	2018 £
Current service cost	(753,000)	(752,000)
Past service cost	(131,000)	-
Interest income	159,000	116,000
Interest cost	(234,000)	(190,000)
<b>Total amount recognised in the Statement of financial activities</b>	<b>(959,000)</b>	<b>(826,000)</b>

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

	2019 £	2018 £
<b>At 1 September</b>	<b>7,686,000</b>	<b>6,424,000</b>
Transferred in on existing academies joining the trust	301,000	941,000
Current service cost	753,000	752,000
Interest cost	234,000	190,000
Employee contributions	125,000	114,000
Actuarial losses/(gains)	1,822,000	(710,000)
Benefits paid	(28,000)	(25,000)
Past service costs	131,000	-
<b>At 31 August</b>	<b>11,024,000</b>	<b>7,686,000</b>

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

	2019 £	2018 £
<b>At 1 September</b>	<b>5,151,000</b>	<b>4,225,000</b>
Transferred in on existing academies joining the trust	256,000	152,000
Interest income	159,000	116,000
Actuarial gains	228,000	142,000
Employer contributions	474,000	427,000
Employee contributions	125,000	114,000
Benefits paid	(28,000)	(25,000)
<b>At 31 August</b>	<b>6,365,000</b>	<b>5,151,000</b>

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**For the Year Ended 31 August 2019**

**25. Operating lease commitments**

At 31 August 2019 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	6,431	9,308
Later than 1 year and not later than 5 years	-	6,430
	<u>6,431</u>	<u>15,738</u>

**26. Members' liability**

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

**27. Related party transactions**

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

During the period the academy had the following related party transactions:

£112,432 spent with Grow Education, a company of which I Woolf, a trustee is a director (2018: £121,150). As at 31 August 2019, no amounts were outstanding (2018: £Nil).

£73,336 (2018: £110,329) received from the Greig Trust of which I Woolf, a trustee, is a trustee.

£167,575 spent with the London Diocesan Board of Schools a member, in respect of consultancy services (2018: £241,680). As at 31 August 2019, no amounts were outstanding (2018: £Nil).

£161,497 (2018: £148,883) spent with London Diocesan Fund a company of which I Wolf, a trustee, is a director. £40,000 in respect of rent from Holy Trinity (Little Engineers Nursery) and £121,497 in respect of payroll recharges. As at 31 August 2019, no amounts were outstanding (2018: £2,916).

£27,886 spent with the LDBS Academies Trust 2, a trust with members and trustees in common, in respect of consultancy services (2018: £233). As at 31 August 2019, no amounts were outstanding (2018: £Nil). £26,452 (2018: £10,000) received from LDBS Academies Trust 2, in relation to management/finance support 2018/2019. There was nothing outstanding as at 31 August 2019 in relation to this.

£1,333 (2018: £Nil) spent with St Marys CE School, Norwood Green, a company of which E Wolverson is a member. As at 31 August 2019, no amounts were outstanding (2018: £Nil).

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**Notes to the financial statements**  
**For the Year Ended 31 August 2019**

**28. Transfer of existing academies into the academy**

**Merdian Angels**

	Value reported by transferring trust £	Transfer in recognised £
<b>Intangible assets</b>		
<b>Tangible fixed assets</b>		
Long-term leasehold property	6,743,280	6,743,280
Furniture and equipment	102,760	102,760
Computer equipment	155,208	155,208
<b>Current assets</b>		
Stocks	3,926	3,926
Debtors due within one year	47,663	47,663
Cash at bank and in hand	441,354	441,354
<b>Liabilities</b>		
Creditors due within one year	(158,788)	(158,788)
<b>Pensions</b>		
Pensions - pension scheme assets	(301,000)	(301,000)
Pensions - pension scheme liabilities	256,000	256,000
<b>Net assets</b>	<u>7,290,403</u>	<u>7,290,403</u>